						PARTMENT	OF NA	OF UTAH ATURAL RES GAS AND I		6		AMEN	FO NDED REPC	RM 3	
		APP	LICATION F	OR I	PERMIT	TO DRILL	-				1. WELL NAME and		R 22-12F1CS		
2. TYPE C		RILL NEW WELL (REENTE	R P&/	A WELL	DEEDE	N WELL				3. FIELD OR WILDO		L BUTTES		
4. TYPE C											5. UNIT or COMMU	NITIZA [.]	TION AGR	EEMENT	NAME
6. NAME	OF OPERATOR					e Well: NO					7. OPERATOR PHON	1E	L BUTTES		
8. ADDRE	SS OF OPERA	TOR	RR-MCGEE OII								9. OPERATOR E-MA	IL	29-6515		
10. MINE	RAL LEASE N		P.O. Box 17377			, 80217 ERAL OWNE	RSHIP	•			julie.ja 12. SURFACE OWNE		@anadarko	.com	
(FEDERA	L, INDIAN, OF UT S	R STATE) T UO 01997-A ST			FEDERAL	L 🔵 IND	IAN 🦲	STATE (FEE		FEDERAL INI	DIAN 🦲	STATE	(FEE 🔵
13. NAME	OF SURFACE	OWNER (if box :	12 = 'fee')								14. SURFACE OWN	R PHO	NE (if box	12 = 'fe	ee')
15. ADDR	ESS OF SURF	ACE OWNER (if b	ox 12 = 'fee')							16. SURFACE OWNE	R E-MA	AIL (if box	12 = 'f	ee')
		OR TRIBE NAME				ND TO COM		LE PRODUCT	ION FRO	М	19. SLANT				
(II box 12	2 = 'INDIAN')				YES 📵	(Submit C	Commin	gling Applicat	ion) NO		VERTICAL DIR	ECTION	AL 📵	HORIZON	ITAL 🛑
20. LOC	ATION OF WE	LL		FOC	OTAGES		Q1	r-QTR	SEC	TION	TOWNSHIP	R	ANGE	МЕ	RIDIAN
LOCATIO	ON AT SURFAC	CE	183	0 FNI	L 2162 F	WL	9	SENW	1	2	10.0 S	2	2.0 E		S
Top of U	ppermost Pro	ducing Zone	173	9 FNI	L 2138 F	WL	9	SENW	1	2	10.0 S	2	2.0 E		S
At Total	Depth		173	9 FNI	L 2138 F	WL	9	SENW	1	2	10.0 S	2	2.0 E		S
21. COUN	ITY	UINTAH			22. DIST	ANCE TO N		T LEASE LIN 739	E (Feet)		23. NUMBER OF AC		DRILLING 574	UNIT	
						ANCE TO N	g or Co		AME POO	DL	26. PROPOSED DEP		TVD: 84:	57	
27. ELEV	ATION - GROU	JND LEVEL		\dashv	28. BONE	D NUMBER	1	09			29. SOURCE OF DRI				
		5164					2201	13542			WATER RIGHTS AP		L NUMBER 8496	IF APP	LICABLE
								ement Inf		n					
String Surf	Hole Size	Casing Size 8.625	Length 0 - 2160	Wei	ght G	irade & Th		Max Mu			Type V		Sacks 180	Yield 1.15	Weight 15.8
Juli	11	0.023	0 2100		,.0	J 33 E10	<u> </u>	0.2	_		Class G		270	1.15	15.8
Prod	7.875	4.5	0 - 8459	11	L.6	I-80 LT8	&C	12.	.5	Pren	nium Lite High Stre	ngth	270	3.38	11.0
											50/50 Poz		1150	1.31	14.3
						A	TTACH	IMENTS							
	VERIFY T	HE FOLLOWIN	G ARE ATTA	CHE	D IN AC	CCORDAN	CE W	TH THE U	TAH OIL	AND (GAS CONSERVATI	ON GE	NERAL F	ULES	
⊮ w	ELL PLAT OR	MAP PREPARED E	BY LICENSED	SUR\	/EYOR OF	R ENGINEEI	R	№ сом	IPLETE D	RILLING	PLAN				
AF	FIDAVIT OF S	TATUS OF SURFA	CE OWNER A	GREE	MENT (II	F FEE SURF	ACE)	FOR	4 5. IF O	PERATO	R IS OTHER THAN TI	HE LEAS	SE OWNER	t.	
DRILLED		URVEY PLAN (IF	DIRECTIONA	LLY C	OR HORIZ	ZONTALLY		№ торо	OGRAPHI	CAL MAI	•				
NAME G	ina Becker			TI	TLE Regul	latory Analys	st II			PHON	E 720 929-6086				
SIGNAT	URE			DA	ATE 09/12	2/2011				EMAIL	. gina.becker@anadarl	ko.com			
	iber assign)4751997(AF	PPROVAL					Perr	nit Manager				

NBU 1022-12F Pad Drilling Program
1 of 7

Kerr-McGee Oil & Gas Onshore. L.P.

NBU 1022-12F1CS

Surface: 1830 FNL / 2162 FWL SENW BHL: 1739 FNL / 2138 FWL SENW

Section 12 T10S R22E

Uintah County, Utah Mineral Lease: UT ST UO 01197-A ST

ONSHORE ORDER NO. 1

DRILLING PROGRAM

Estimated Tops of Important Geologic Markers: Estimated Depths of Anticipated Water, Oil, Gas, or Mineral Formations:

<u>Formation</u>	<u>Depth</u>	<u>Resource</u>
Uinta	0 - Surface	
Green River	1073	
Birds Nest	1341	Water
Mahogany	1708	Water
Wasatch	4106	Gas
Mesaverde	6272	Gas
MVU2	7244	Gas
MVL1	7800	Gas
TVD	8457	
TD	8459	

3. <u>Pressure Control Equipment</u> (Schematic Attached)

Please refer to the attached Drilling Program

4. <u>Proposed Casing & Cementing Program:</u>

Please refer to the attached Drilling Program

5. <u>Drilling Fluids Program</u>:

Please refer to the attached Drilling Program

6. <u>Evaluation Program</u>:

Please refer to the attached Drilling Program

NBU 1022-12F Pad Drilling Program 2 of 7

7. <u>Abnormal Conditions</u>:

Maximum anticipated bottom hole pressure calculated at 8457' TVD, approximately equals 5,412 psi 0.64 psi/ft = actual bottomhole gradient

Maximum Anticipated Bottom Hole Pressure (MABHP) = Pore Pressure at TD

Maximum anticipated surface pressure equals approximately 3,540 psi (bottom hole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot, per Onshore Order No. 2).

Per Onshore Order No. 2 - Max Anticipated Surf. Press.(MASP) = (Pore Pressure at next csg point-(0.22 psi/ft-partial evac gradient x TVD of next csg point))

8. Anticipated Starting Dates:

Drilling is planned to commence immediately upon approval of this application.

9. <u>Variances:</u>

Please refer to the attached Drilling Program. Onshore Order #2 – Air Drilling Variance

Kerr-McGee Oil & Gas Onshore LP (KMG) respectfully requests a variance to several requirements associated with air drilling outlined in Onshore Order 2

- Blowout Prevention Equipment (BOPE) requirements;
- · Mud program requirements; and
- Special drilling operation (surface equipment placement) requirements associated with air drilling.

This Standard Operating Practices addendum provides supporting information as to why KMG current air drilling practices for constructing the surface casing hole should be granted a variance to Onshore Order 2 air drilling requirements.

The reader should note that the air rig is used only to construct a stable surface casing hole through a historically difficult lost circulation zone. A conventional rotary rig follows the air rig, and is used to drill and construct the majority of the wellbore.

More notable, KMG has used the air rig layout and procedures outlined below to drill the surface casing hole in approximately 675 wells without incident of blow out or loss of life.

Background

In a typical well, KMG utilizes an air rig for drilling the surface casing hole, an interval from the surface to surface casing depths, which varies in depth from 1,700 to 2,800 feet. The air rig drilling operation does not drill through productive or over pressured formations in KMG field, but does penetrate the Uinta and Green River Formations. The purpose of the air drilling operation is to overcome the severe loss circulation zone in the Green River known as the Bird's Nest while creating a stable hole for the surface casing. The surface casing hole is generally drilled to approximately 500 feet below the Bird's Nest.

NBU 1022-12F Pad Drilling Program
3 of 7

Before the surface air rig is mobilized, a rathole rig is utilized to set and cement conductor pipe through a competent surface formation. Generally, the conductor is set at 40 feet. In some cases, conductor may be set deeper in areas that the surface formation is not found competent. This rig also drills the rat and mouse holes in preparation for the surface casing and production string drilling operations.

The air rig is then mobilized to drill the surface casing hole by drilling a 11 inch hole to just above the Bird's Nest interval with an air hammer. The hammer is then tripped and replaced with a 11 inch tri-cone bit. The tri-cone bit is used to drill to the surface casing point, approximately 500 feet below the loss circulation zone (Bird's Nest). The 8-5/8 inch surface casing is then run and cemented in place, thereby isolating the lost circulation zone.

KMG fully appreciates Onshore Order 2 well control and safety requirements associated with a typical air drilling operations. However, the requirements of Onshore Order 2 are excessive with respect to the air rig layout and drilling operation procedures that are currently in practice to drill and control the surface casing hole in KMG Fields.

Variance for BOPE Requirements

The air rig operation utilizes a properly lubricated and maintained air bowl diverter system which diverts the drilling returns to a six-inch blooie line. The air bowl is the only piece of BOPE equipment which is installed during drilling operations and is sufficient to contain the air returns associated with this drilling operation. As was discussed earlier, the drilling of the surface hole does not encounter any over pressured or productive zones, and as a result standard BOPE equipment should not be required. In addition, standard drilling practices do not support the use of BOPE on 40 feet of conductor pipe.

Variance for Mud Material Requirements

Onshore Order 2 also states that sufficient quantities of mud materials shall be maintained or readily accessible for the purpose of assuring adequate well control. Once again, the surface hole drilling operations does not encounter over pressured or productive intervals, and as a result there is not a need to control pressure in the surface hole with a mud system. Instead of mud, the air rigs utilize water from the reserve pit for well control, if necessary. A skid pump which is located near the reserve pit (see attachment) will supply the water to the well bore.

Variance for Special Drilling Operation (surface equipment placement) Requirements

Onshore Order 2 requires specific safety distances or setbacks for the placement of associated standard air drilling equipment, wellbore, and reserve pits. The air rigs used to drill the surface holes are not typical of an air rig used to drill a producing hole in other parts of the US. These are smaller in nature and designed to fit a KMG location. The typical air rig layout for drilling surface hole in the field is attached.

Typically the blooie line discharge point is required to be 100 feet from the well bore. In the case of a KMG well, the reserve pit is only 45 feet from the rig and is used for the drill cuttings. The blooie line, which transports the drill cuttings from the well to the reserve pit, subsequently discharges only 45 feet from the well bore.

Typically the air rig compressors are required to be located in the opposite direction from the blooie line and a minimum of 100 feet from the well bore. At the KMG locations, the air rig compressors are approximately 40 feet from the well bore and approximately 60 feet from the blooie line discharge due to the unique air rig design. The air compressors (see attachment) are located on the rig (1250 cfm) and

NBU 1022-12F Pad Drilling Program 4 of 7

on a standby trailer (1170 cfm). A booster sits between the two compressors and boosts the output from 350 psi to 2000 psi. The design does put the booster and standby compressor opposite from the blooie line.

Lastly, Onshore Order 2 addresses the need for an automatic igniter or continuous pilot light on the blooie line. The air rig does not utilize an igniter as the surface hole drilling operation does not encounter productive formations.

Conclusion

The air rig operating procedures and the attached air rig layout have effectively maintained well control while drilling the surface holes in KMG Fields. KMG respectfully requests a variance from Onshore Order 2 with respect to air drilling well control requirements as discussed above.

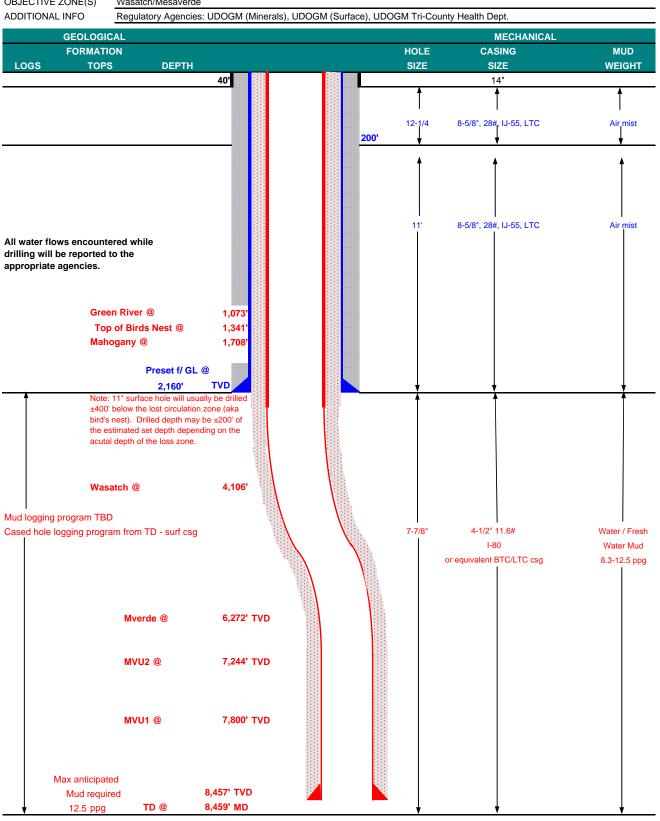
10. Other Information:

Please refer to the attached Drilling Program.



KERR-McGEE OIL & GAS ONSHORE LP <u>DRILLING PROGRAM</u>

COMPANY NAME KERR-McGEE OIL & GAS ONSHORE LP DATE September 7, 2011 NBU 1022-12F1CS WELL NAME 8,457' TVD 8,459' MD TD 5164.4 COUNTY Uintah FINISHED ELEVATION **FIELD** Natural Buttes STATE Utah SURFACE LOCATION SENW 1830 FNL 2162 FWL Sec 12 T 10S R 22E -109.389336 Latitude: 39.965709 Longitude: NAD 27 BTM HOLE LOCATION **SENW** 1739 FNL 2138 FWL Sec 12 T 10S R 22E Latitude: 39.965958 -109.389420 NAD 27 Longitude: OBJECTIVE ZONE(S) Wasatch/Mesaverde





KERR-McGEE OIL & GAS ONSHORE LP

DRILLING PROGRAM

CASING PROGRAM	<u>1</u>			DESIGN FACTORS							
										LTC	BTC
	SIZE	INT	ERVAL	_	WT.	GR.	CPLG.	BURST	COLLA	PSE	TENSION
CONDUCTOR	14"	(0-40'								
								3,390	1,880	348,000	N/A
SURFACE	8-5/8"	0	to	2,160	28.00	IJ-55	LTC	2.50	1.86	6.57	N/A
								7,780	6,350	279,000	367,000
PRODUCTION	4-1/2"	0	to	8,459	11.60	I-80	LTC/BTC	1.11	1.16	3.51	4.62

Surface Casing:

(Burst Assumptions: TD = 12.5 ppg) 0.73 psi/ft = frac gradient @ surface shoe

Fracture at surface shoe with 0.1 psi/ft gas gradient above

(Collapse Assumption: Fully Evacuated Casing, Max MW) (Tension Assumptions: Air Weight of Casing*Buoy.Fact. of water)

Production casing:

(Burst Assumptions: Pressure test with 8.4ppg @ 7000 psi) 0.64 psi/ft = bottomhole gradient

(Collapse Assumption: Fully Evacuated Casing, Max MW) (Tension Assumptions: Air Weight of Casing*Buoy.Fact. of water)

CEMENT PROGRAM

	FT. OF FILL	DESCRIPTION	SACKS	EXCESS	WEIGHT	YIELD
SURFACE LEAD	500'	Premium cmt + 2% CaCl	180	60%	15.80	1.15
Option 1		+ 0.25 pps flocele				
TOP OUT CMT (6 jobs)	1,200'	20 gals sodium silicate + Premium cmt	270	0%	15.80	1.15
		+ 2% CaCl + 0.25 pps flocele				
SURFACE		NOTE: If well will circulate water to	o surface,	option 2 wil	l be utilized	
Option 2 LEAD	1,660'	65/35 Poz + 6% Gel + 10 pps gilsonite	150	35%	11.00	3.82
		+ 0.25 pps Flocele + 3% salt BWOW				
TAIL	500'	Premium cmt + 2% CaCl	150	35%	15.80	1.15
		+ 0.25 pps flocele				
TOP OUT CMT	as required	Premium cmt + 2% CaCl	as req.		15.80	1.15
PRODUCTION LEAD	3,599'	Premium Lite II +0.25 pps	270	20%	11.00	3.38
		celloflake + 5 pps gilsonite + 10% gel				
		+ 0.5% extender				
TAIL	4,860'	50/50 Poz/G + 10% salt + 2% gel	1,150	35%	14.30	1.31
		+ 0.1% R-3				

^{*}Substitute caliper hole volume plus 0% excess for LEAD if accurate caliper is obtained

FLOAT EQUIPMENT & CENTRALIZERS

SURFACE	Guide shoe, 1 jt, insert float. Centralize first 3 joints with bow spring centralizers. Thread lock guide shoe
PRODUCTION	Float shoe, 1 jt, float collar. No centralizers will be used.

ADDITIONAL INFORMATION

Test casing head to 750 psi after installing. Test surface casing to 1,500 psi prior to drilling out.

BOPE: 11" 5M with one annular and 2 rams. The BOPE will be installed before the production hole is drilled and tested to 5,000 psi (annular to 2,500 psi) prior to drilling out the surface casing shoe. Record on chart recorder and tour sheet. Function test rams on each trip. Maintain safety valve and inside BOP on rig floor at all times. Most rigs have top drives; however, if used, the Kelly is to be equipped with upper and lower kelly valves.

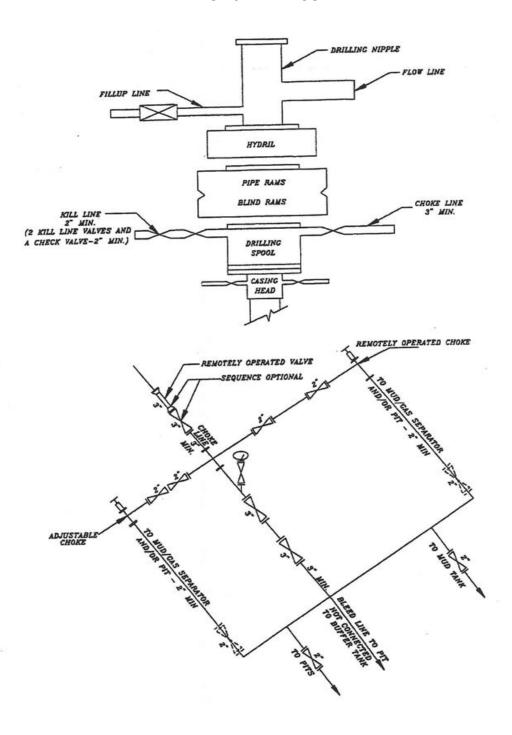
Surveys will be taken at	1,000 minimum intervals.	

Most rigs have PVT System for mud monitoring. If no PVT is available, visual monitoring will be utilized.

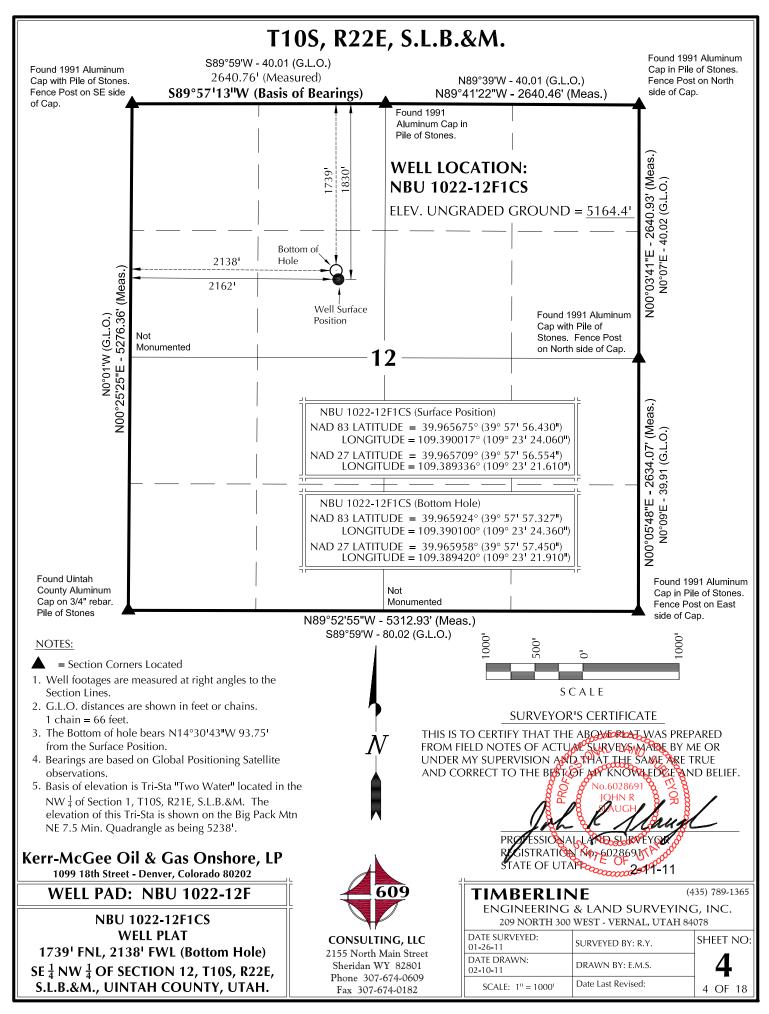
DRILLING ENGINEER:		DATE:	
	Nick Spence / Danny Showers	·	
DRILLING SUPERINTENDENT:		DATE:	
	Kenny Gathings / Lovel Young	<u> </u>	

^{*}Substitute caliper hole volume plus 10% excess for TAIL if accurate caliper is obtained

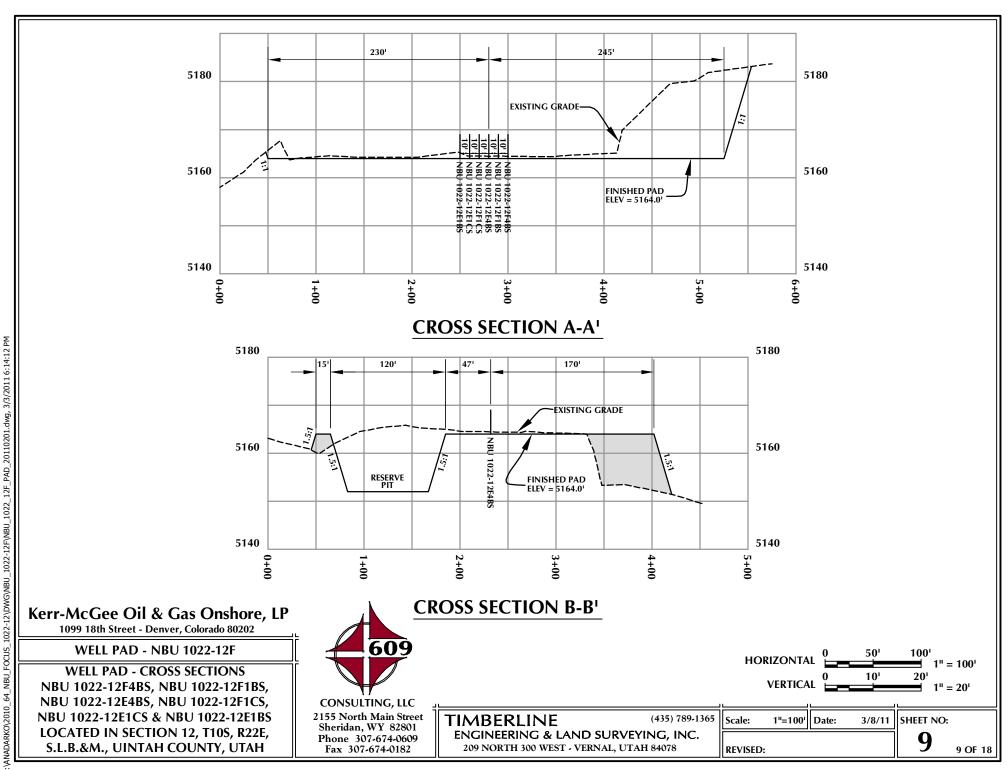
EXHIBIT A
NBU 1022-12F1CS



SCHEMATIC DIAGRAM OF 5,000 PSI BOP STACK



			SURFA	ACE POSI	TION					ВС	OTTOM HOLE		
WELL NAME		D83			NAD27		F00716F6		NAD83	I CITUDE	NAD		50074650
NBU	LATITUDE 39°57'56.263"	109°23'23		LATITUD 9°57'56.38			1847' FNL	39°57'.		NGITUDE 23'24.369"	39°57'54.180"	LONGITUDE 109°23'21.920"	FOOTAGES 2070' FNL
1022-12F4BS NBU	39.965629° 39°57'56.319"	109.38992 109°23'23	_	9.965663° 9°57'56.4			2187' FWL 1841' FNL	39.965		190103° 23'24.338"		109.389422° 109°23'21.888"	2140' FWL 1407' FNL
1022-12F1BS	39.965644°	109.38995	8° 39.	9.965678°	109.389	9277°	2179' FWL	39.966	835° 109.3	90094°	39.966870°	109.389413°	2137' FWL
NBU 1022-12E4BS	39°57'56.375" 39.965660°	109°23'23 109.38998		9°57'56.49 9.965694°			1835' FNL 2170' FWL	39°57'. 39.964		23'41.323" 894812°	I	109°23'38.872" 109.394131°	2234' FNL 821' FWL
NBU	39°57'56.430"	109°23'24	.060" 39	9°57'56.5!	54" 109°23'	21.610"	1830' FNL	39°57'.	57.327" 109°2	23'24.360"	39°57'57.450"	109°23'21.910"	1739' FNL
1022-12F1CS NBU	39.965675° 39°57'56.486"	109.39001 109°23'24	.166" 39	9.965709° 9°57'56.60	09" 109°23		2162' FWL 1824' FNL	1	55.707" 109°2	390100° 23'41.288"		109.389420° 109°23'38.838"	2138' FWL 1903' FNL
1022-12E1CS NBU	39.965691° 39°57'56.542"	109.39004 109°23'24		9.965725° 9°57'56.60			2154' FWL 1818' FNL	39.965 39°57''				109.394122° 109°23'38.816"	821' FWL 1572' FNL
1022-12E1BS NBU	39.965706° 39°57'56.226"	109.39007	'5° 39.	9.965740° 9°57'56.3	109.389	9395°	2146¹ FWL	39.966		94796°		109.394115°	820' FWL
513-12EX	39.965618°	109°23'24 109.39006	7° 39.	9.965653°	109.389		1850' FNL 2148' FWL						
NBU 513-12E	39°57'56.260" 39.965628°	109°23'24 109.39015		9°57'56.38 9.965662°			1847' FNL 2124' FWL						
		,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,		RELATI				Position	າ to Bottom Ho	ole			
WELL NAME NBU	NORTH	EAST	WELL N	NAME	NORTH	EAST	WELL NBU	NAME	NORTH	EAST	WELL NAME NBU	NORTH	EAST
1022-12F4BS	-223.31	-48.7'	NBU 1022-12	2F1BS	434.0'	-38.6	1022-1	12E4BS	-399.7'	-1,352.5	1022-12F1C9	s 90.8'	-23.5'
WELL NAME NBU	NORTH	EAST	WELL N	NAME	NORTH	EAST			_			. ô .	
1022-12E1CS	-80.0¹	-1,333.51	1022-12	2E1BS	245.4'	-1,323.	.8'					3, 36, 69, 6	`
				S C	ALE		7.14°.27	- Mis	ottom Hol	an S	3.25 4.44.	7. H. 13. 13. 13. 13. 13. 13. 13. 13. 13. 13	, GOS 9
	AZ= 179°29'49"\ (To Bo	.889°	ile)	35°41'5 304.307		ottom of lole	N14°30'43"NN 93:7 Hole)	M. 98, 100-201	801) 185 CS 1070 1070 1070 1070 1070 1070 1070 107	AND	1022-12F1CS	N N	
S86°3	AZ = 266.56	.889° 1335.8	9/e) 8'		H 3 19 400	lole		30611° ° ° 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7	ARD 10 10	Note Casin has b deter BASIS OF TI R22E, GLOF	e: Ing for the Existing the control of the control	ing NBU 513- low grade. Po etal detector. S IS THE NOF ECTION 12, T HICH IS TAKE IING SATELLI	12E Well sition RTH LINE 10S, N FROM IE
Kerr-McC 1099 18 WELL WELLS - NB NBU 10	AZ=266.56 34'08"W - To Bottom S73 Gee Oil & Bth Street - De L PAD - N	AZ=25 AZ=25 AZ=25 AZ=11"V (TO B' Conver, Color NBU 10 RFEREN 4BS, NBU NBU 102	3.53633 Nottom F Onsho Pado 802 122-12 1022-122-12F1	99° 28' 410.28' Hole) Ore, LI 202 2F AT 12F1BS	P THOUGH THE WELL THE CONTROL OF THE	CONSU 2155 Non	609 Output O	$\frac{1}{100} \frac{12^{-1}8^{12}}{100} \frac{36.30611}{100} = \frac{1}{100} \frac{1}{100} \frac{1}{100} = \frac{1}{100} \frac{1}{100} = \frac{1}{100} \frac{1}{100} = \frac{1}{100}$	TIMI ENG 200 DATE SURV 01-26-11 DATE DRA'	Note Casii has be deter BASIS OF TI R22E, GLOF OBSE	ering for the Existic peen cut-off below the modern with modern with modern with modern with modern with modern with the moder	ing NBU 513- low grade. Po etal detector. S IS THE NOF ECTION 12, T HICH IS TAKE IING SATELLI D BEAR S89°5 (4 SURVEYING NAL, UTAH 84 (: R.Y.	12E Well sition RTH LINE 10S, N FROM ITE 7'13"W.
Kerr-McC 1099 18 WELL WELLS - NB NBU 10 NBU 10 LOCAT	AZ=266.56 34'08"W - To Bottom S73 S73 PAD INTE BU 1022-12F 022-12E4BS,	1335.8 Hole) AZ=25 32'11"V (TO B' K Gas C NBU 10 8 NBU 10 8 NBU 10 8 NBU 10 10 NBU 10	016) 8' 3.53633 016) 017 018 018 018 018 018 018 018	99° 28' 410.28' Hole) Ore, LI 202 2F AT 12F1BS 1CS, E1BS 22E,	P THOUGH THE WELL THE CONTROL OF THE	CONSL 2155 Nor Sheridar Phone 3	609 DITING, LL	$\frac{512\cdot18\cdot22^{11}}{(70R_{24}-28.59)}$	TIMI ENGI 205 DATE SURV 01-26-11 DATE DRAY 02-10-11	Note Casii has be deter BASIS OF TI R22E, GLOF OBSE	e: Ing for the Existic Ing for the Exist Ing	ing NBU 513- low grade. Po etal detector. S IS THE NOF ECTION 12, T HICH IS TAKE IING SATELLI D BEAR S89°5 (4 SURVEYING NAL, UTAH 84 (1: R.Y. E.M.S.	12E Well sition RTH LINE 10S, N FROM ITE 7'13"W.



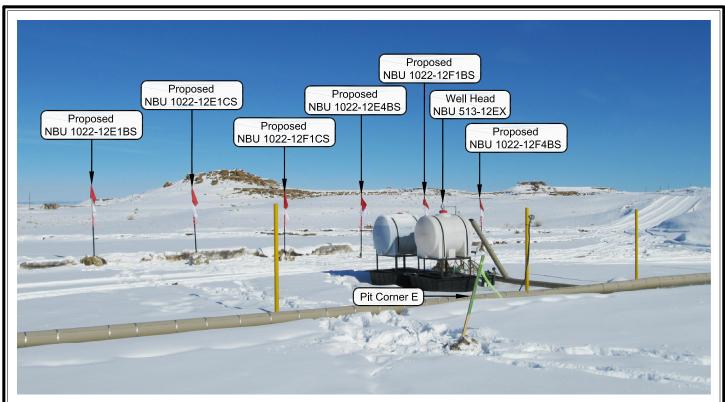


PHOTO VIEW: FROM PIT CORNER E TO LOCATION STAKE





PHOTO VIEW: FROM EXISTING ACCESS ROAD

CAMERA ANGLE: WESTERLY

Kerr-McGee Oil & Gas Onshore, LP 1099 18th Street - Denver, Colorado 80202

WELL PAD - NBU 1022-12F

LOCATION PHOTOS NBU 1022-12F4BS, NBU 1022-12F1BS, NBU 1022-12E4BS, NBU 1022-12F1CS, NBU 1022-12E1CS & NBU 1022-12E1BS LOCATED IN SECTION 12, T10S, R22E, S.L.B.&M., UINTAH COUNTY, UTAH.



CONSULTING, LLC Sheridan WY 82801

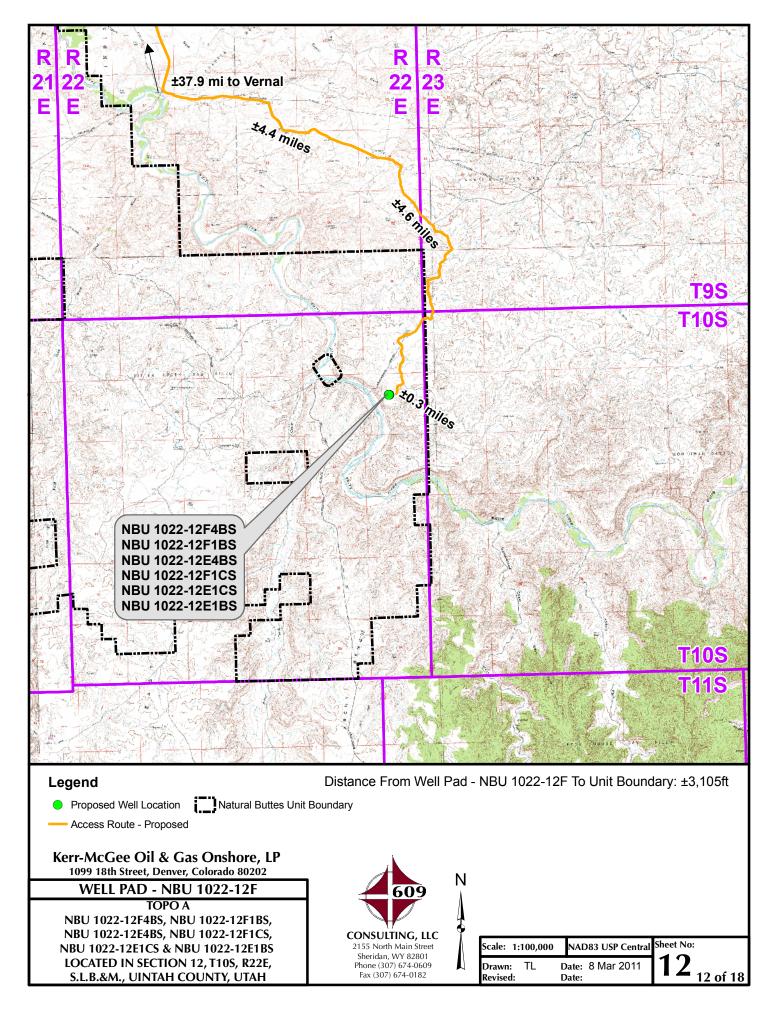
2155 North Main Street Phone 307-674-0609 Fax 307-674-0182

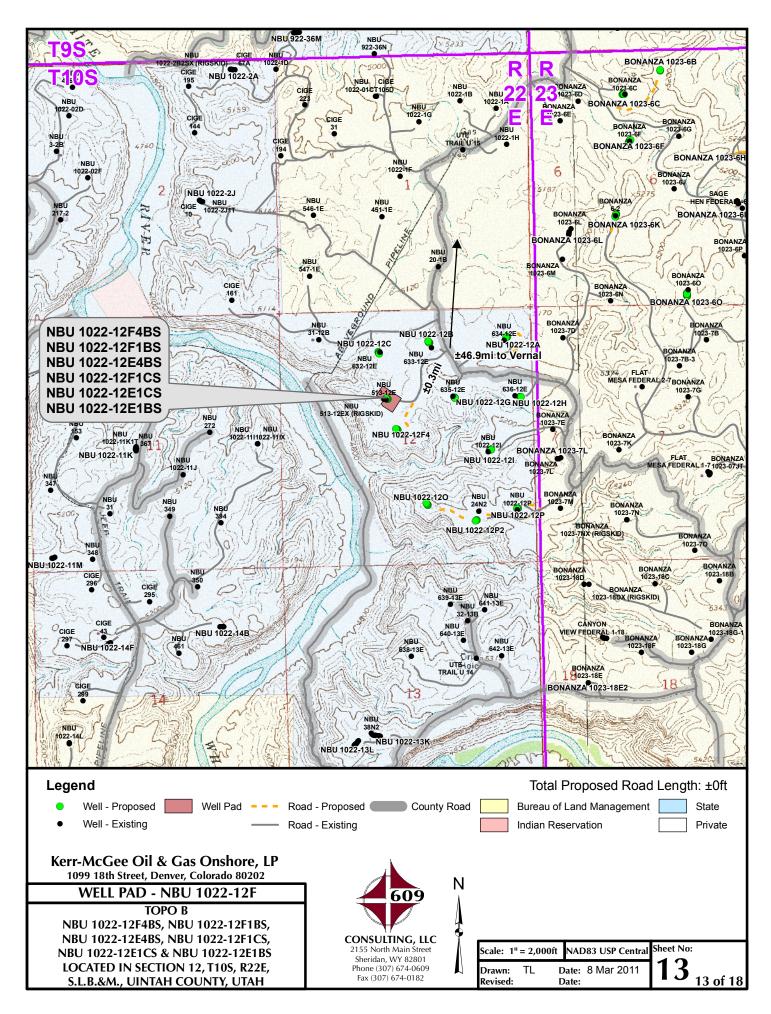
]	TIMBERLINE ENGINEERING & L
Ш	ENGINEERING & L

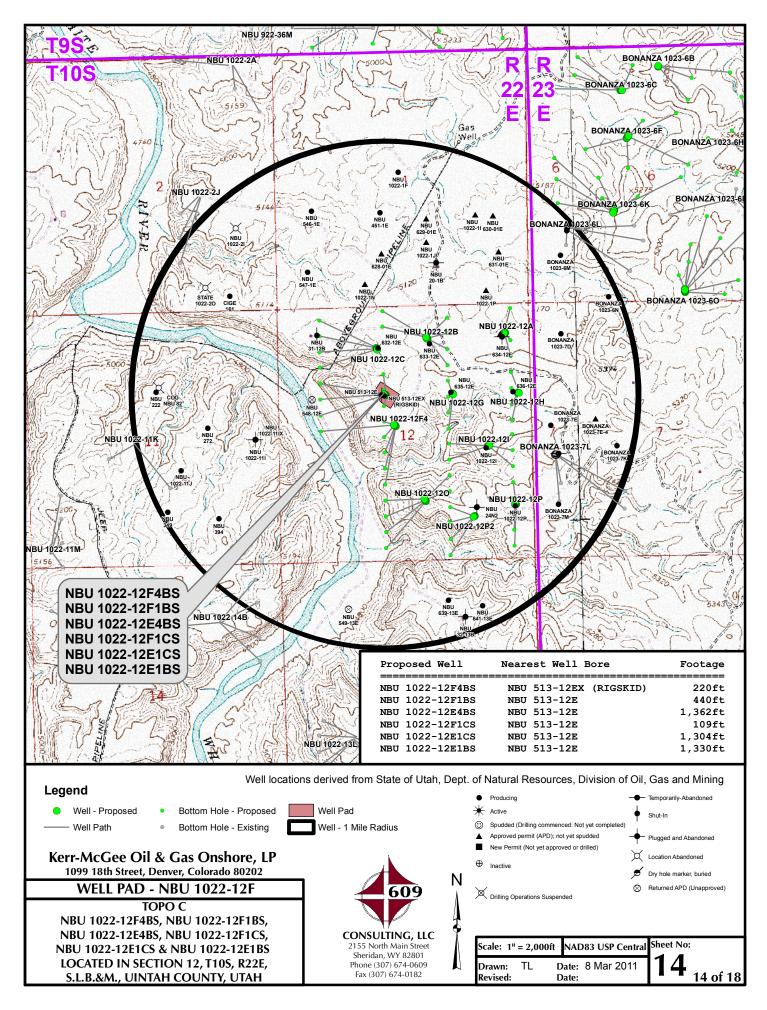
(435) 789-1365

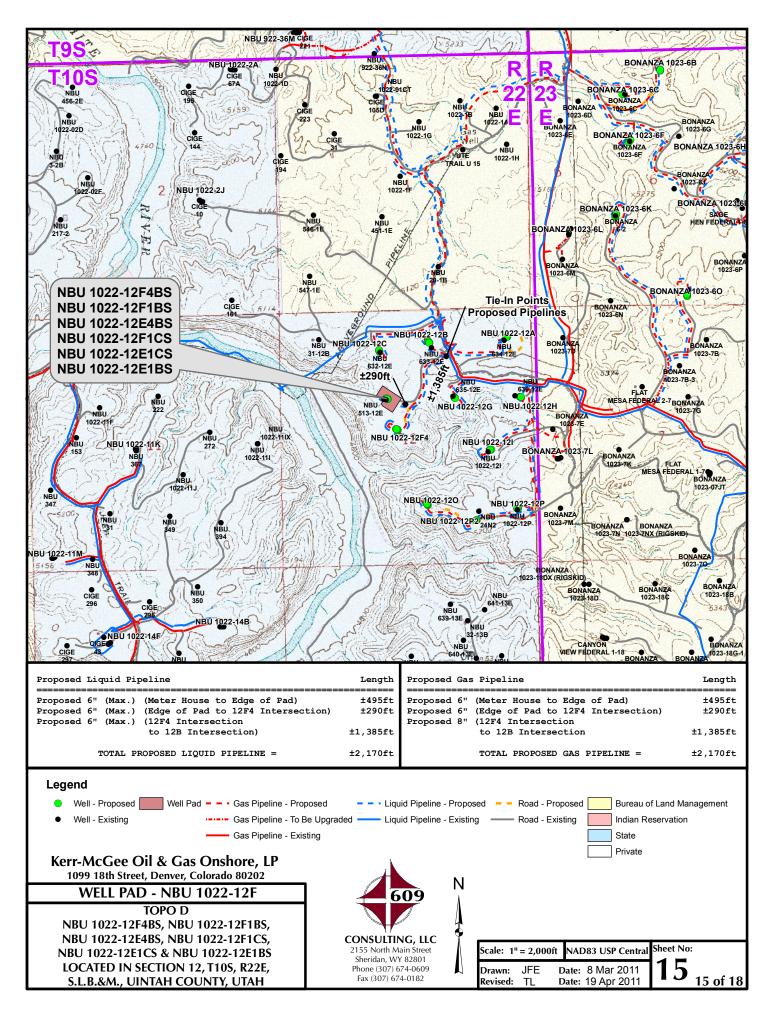
gineering & land surveying, inc. 209 NORTH 300 WEST - VERNAL, UTAH 84078

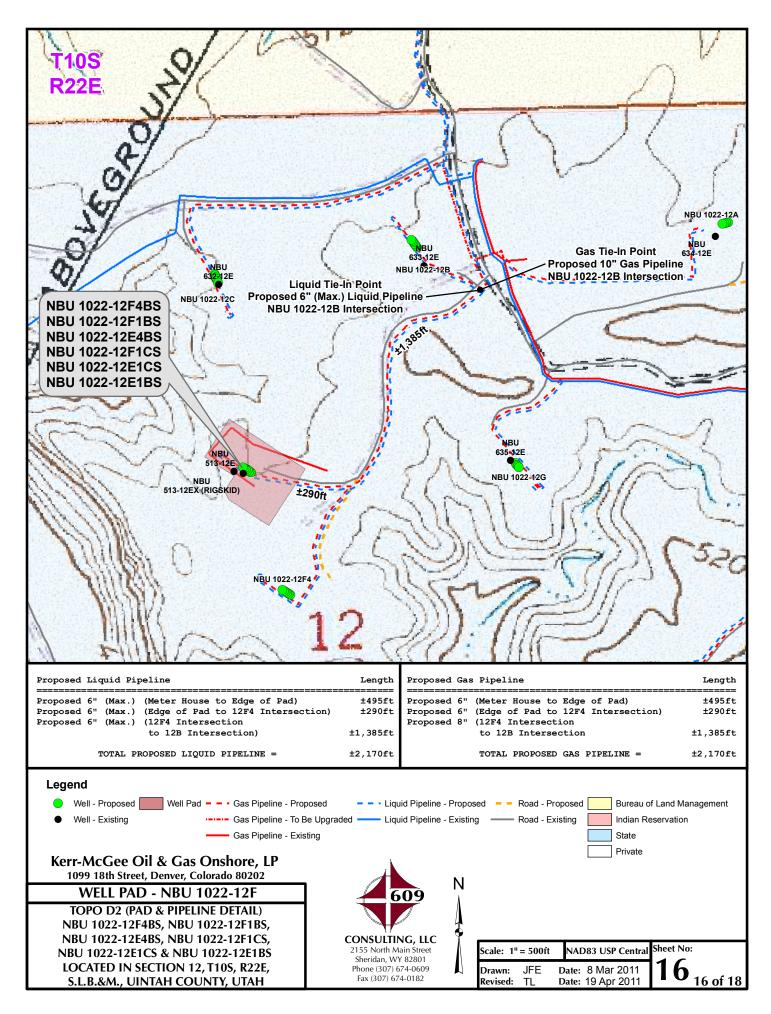
DATE PHOTOS TAKEN: 02-10-11	PHOTOS TAKEN BY: R.Y.	SHEET NO:
DATE DRAWN: 02-10-11	DRAWN BY: E.M.S.	11
Date Last Revised:		11 OF 18

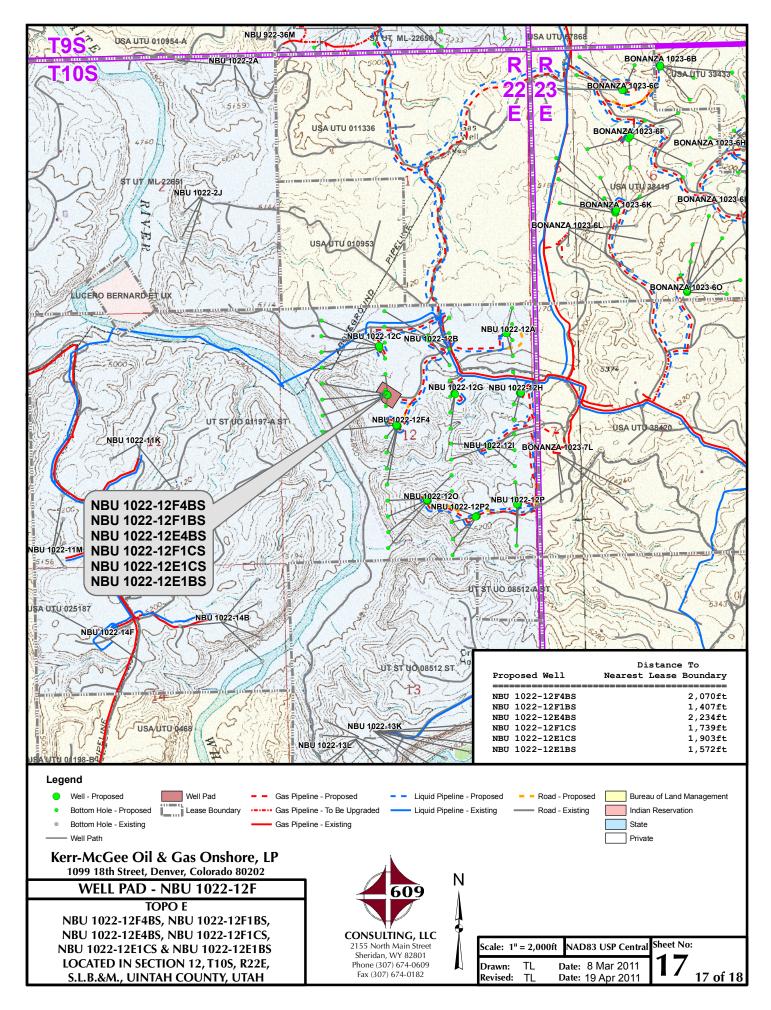












Kerr-McGee Oil & Gas Onshore, LP WELL PAD – NBU 1022-12F WELLS – NBU 1022-12F4BS, NBU 1022-12F1BS, NBU 1022-12E4BS, NBU 1022-12F1CS, NBU 1022-12E1CS & NBU 1022-12E1BS Section 12, T10S, R22E, S.L.B.&M.

From the intersection of U.S. Highway 40 and 500 East Street in Vernal, Utah, proceed in an easterly then southerly direction along U.S. Highway 40 approximately 3.3 miles to the junction of State Highway 45. Exit right and proceed in a southerly direction along State Highway 45 approximately 20.2 miles to the junction of the Glen Bench Road (County B Road 3260). Exit right and proceed in a southwesterly direction along the Glen Bench Road approximately 14.4 miles to the intersection of the Fidlar Road (County B Road 3410) which road intersection is approximately 400 feet northeast of the Mountain Fuel Bridge at the White River. Exit left and proceed in a southeasterly direction along the Fidlar Road approximately 4.4 miles to the intersection of the Seven Sisters Road (County B Road 3420). Exit right and proceed in a southeasterly then southerly direction along the Seven Sisters Road approximately 4.6 miles to a service road to the southwest. Exit right and proceed in a southwesterly direction along the service road approximately 0.3 miles to the proposed well location.

Total distance from Vernal, Utah to the proposed well location is approximately 47.2 miles in a southerly direction.

SHEET 18 OF 18

API Well Number: 43047519976900 UTAH - UTM (feet), NAD27, Zone 12N Site: NBU 1022-12F PAD

Scientific Drilling

Rocky Mountain Operations

Vertical Section at 345.45° (1500 ft/in)

Well: NBU 1022-12F1CS

Wellbore: OH

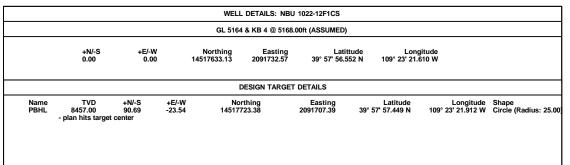
Design: PLAN #1 PRELIMINARY

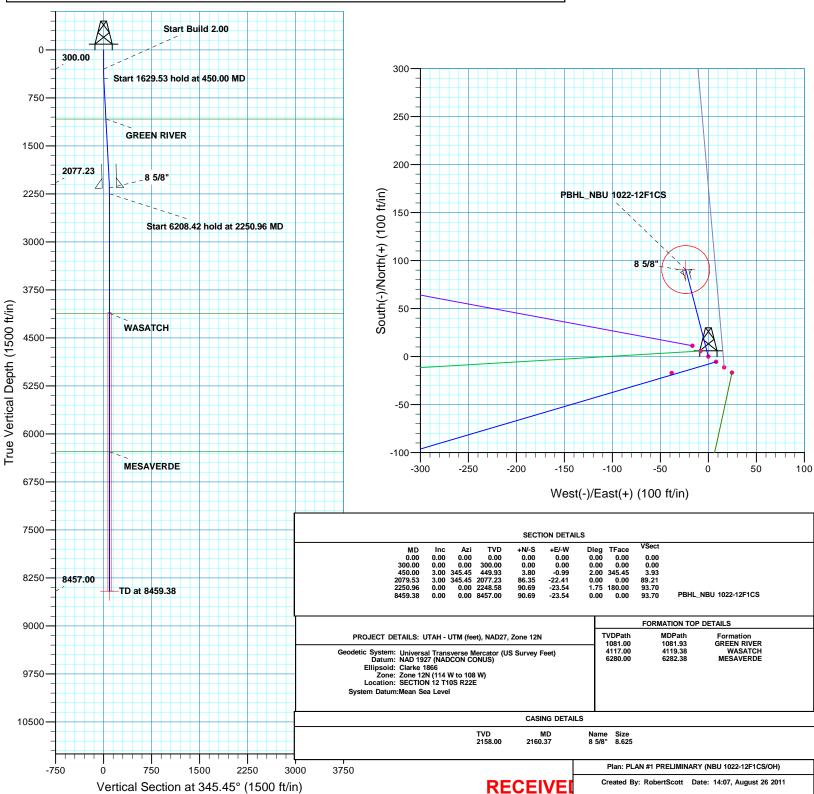




Azimuths to True North Magnetic North: 11.00°

> Magnetic Field Strength: 52304.6snT Dip Angle: 65.86° Date: 08/26/2011 Model: IGRF2010







US ROCKIES REGION PLANNING

UTAH - UTM (feet), NAD27, Zone 12N NBU 1022-12F PAD NBU 1022-12F1CS

OH

Plan: PLAN #1 PRELIMINARY

Standard Planning Report

26 August, 2011



RECEIVED: September 12, 2011



SDI Planning Report



EDM5000-RobertS-Local Database:

Company: US ROCKIES REGION PLANNING

UTAH - UTM (feet), NAD27, Zone 12N

Site: NBU 1022-12F PAD NBU 1022-12F1CS Well:

Wellbore: ОН

Project:

Design: PLAN #1 PRELIMINARY **Local Co-ordinate Reference:**

Survey Calculation Method:

TVD Reference: MD Reference:

North Reference:

Well NBU 1022-12F1CS GL 5164 & KB 4

@ 5168.00ft (ASSUMED)

GL 5164 & KB 4 @ 5168.00ft (ASSUMED)

Minimum Curvature

Mean Sea Level

Project UTAH - UTM (feet), NAD27, Zone 12N

Map System: Universal Transverse Mercator (US Survey Feet)

NAD 1927 (NADCON CONUS) Geo Datum: Zone 12N (114 W to 108 W) Map Zone:

NBU 1022-12F PAD, SECTION 12 T10S R22E Site

Northing: 14,517,644.13 usft Site Position: Latitude: 39° 57' 56.664 N From: Lat/Long Easting: 2,091,715.83 usft Longitude: 109° 23' 21.822 W

System Datum:

0.00 ft Slot Radius: 13.200 in **Grid Convergence:** 1.03° **Position Uncertainty:**

Well NBU 1022-12F1CS, 1830 FNL 2162 FWL

0.00

Well Position -11.29 ft 14.517.633.14 usft 39° 57' 56.552 N +N/-S Northing: Latitude:

+E/-W 16.54 ft Easting: 2,091,732.56 usft Longitude: 109° 23' 21.610 W

Position Uncertainty 0.00 ft Wellhead Elevation: **Ground Level:** 5.164.00 ft

ОН Wellbore Field Strength Magnetics **Model Name** Sample Date Declination Dip Angle (°) (°) (nT) IGRF2010 08/26/11 11.00 65.86 52,305

PLAN #1 PRELIMINARY Design **Audit Notes:** PLAN 0.00 Version: Phase: Tie On Depth: Vertical Section: Depth From (TVD) +N/-S +E/-W Direction (ft) (ft) (ft) (°)

0.00

0.00

Plan Sections										
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)	TFO (°)	Target
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
300.00	0.00	0.00	300.00	0.00	0.00	0.00	0.00	0.00	0.00	
450.00	3.00	345.45	449.93	3.80	-0.99	2.00	2.00	0.00	345.45	
2,079.53	3.00	345.45	2,077.23	86.35	-22.41	0.00	0.00	0.00	0.00	
2,250.96	0.00	0.00	2,248.58	90.69	-23.54	1.75	-1.75	0.00	180.00	
8,459.38	0.00	0.00	8,457.00	90.69	-23.54	0.00	0.00	0.00	0.00 F	PBHL_NBU 1022-12F

345.45



SDI **Planning Report**



EDM5000-RobertS-Local Database:

Company: US ROCKIES REGION PLANNING

Project: UTAH - UTM (feet), NAD27, Zone 12N

Site: NBU 1022-12F PAD Well: NBU 1022-12F1CS

Wellbore: ОН

Design: PLAN #1 PRELIMINARY Local Co-ordinate Reference:

TVD Reference:

MD Reference:

North Reference:

Survey Calculation Method:

Well NBU 1022-12F1CS

GL 5164 & KB 4

@ 5168.00ft (ASSUMED) GL 5164 & KB 4

@ 5168.00ft (ASSUMED)

Minimum Curvature

3	ured oth t)	Inclination	Azimuth	Vertical			Vertical	Doglas	Build	Turn
Dep (fi	pth t)		Animusth				Vertical	Doglog	Duild	Tum
2		(°)	(°)	Depth (ft)	+N/-S (ft)	+E/-W (ft)	Section (ft)	Dogleg Rate (°/100ft)	Rate (°/100ft)	Rate (°/100ft)
3		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3	0.00									
3	100.00	0.00	0.00	100.00	0.00	0.00	0.00	0.00	0.00	0.00
	200.00	0.00	0.00	200.00	0.00	0.00	0.00	0.00	0.00	0.00
Start	300.00	0.00	0.00	300.00	0.00	0.00	0.00	0.00	0.00	0.00
	t Build 2.0	00								
4	400.00	2.00	345.45	399.98	1.69	-0.44	1.75	2.00	2.00	0.00
	450.00	3.00	345.45	449.93	3.80	-0.99	3.93	2.00	2.00	0.00
				449.93	3.00	-0.99	3.93	2.00	2.00	0.00
		hold at 450.00 l								
	500.00	3.00	345.45	499.86	6.33	-1.64	6.54	0.00	0.00	0.00
	00.00	3.00	345.45	599.73	11.40	-2.96	11.78	0.00	0.00	0.00
	700.00	3.00	345.45	699.59	16.46	-4.27	17.01	0.00	0.00	0.00
8	800.00	3.00	345.45	799.45	21.53	-5.59	22.24	0.00	0.00	0.00
	900.00	3.00	345.45	899.31	26.60	-6.90	27.48	0.00	0.00	0.00
	00.00	3.00	345.45 345.45	999.18	31.66	-6.90 -8.22	32.71	0.00	0.00	0.00
		3.00								
	081.93		345.45	1,081.00	35.81	-9.30	37.00	0.00	0.00	0.00
	EN RIVER									
	100.00	3.00	345.45	1,099.04	36.73	-9.53	37.94	0.00	0.00	0.00
1,2	200.00	3.00	345.45	1,198.90	41.79	-10.85	43.18	0.00	0.00	0.00
1.3	300.00	3.00	345.45	1,298.77	46.86	-12.16	48.41	0.00	0.00	0.00
	400.00	3.00	345.45	1,398.63	51.92	-13.48	53.65	0.00	0.00	0.00
	500.00	3.00	345.45	1,498.49	56.99	-14.79	58.88	0.00	0.00	0.00
	600.00	3.00	345.45	1,598.36	62.06	-16.11	64.11	0.00	0.00	0.00
1,	700.00	3.00	345.45	1,698.22	67.12	-17.42	69.35	0.00	0.00	0.00
1,8	300.00	3.00	345.45	1,798.08	72.19	-18.74	74.58	0.00	0.00	0.00
1,9	900.00	3.00	345.45	1,897.94	77.25	-20.05	79.81	0.00	0.00	0.00
	00.00	3.00	345.45	1,997.81	82.32	-21.37	85.05	0.00	0.00	0.00
	079.53	3.00	345.45	2,077.23	86.35	-22.41	89.21	0.00	0.00	0.00
	t Drop -1.									
	100.00	2.64	345.45	2,097.67	87.32	-22.67	90.22	1.75	-1.75	0.00
۷,	100.00									
2,1	160.37	1.59	345.45	2,158.00	89.48	-23.23	92.44	1.75	-1.75	0.00
8 5/8	3"									
2,2	200.00	0.89	345.45	2,197.62	90.31	-23.44	93.30	1.75	-1.75	0.00
2,2	250.96	0.00	0.00	2,248.58	90.69	-23.54	93.70	1.75	-1.75	0.00
Start	t 6208.42	hold at 2250.96	MD							
	300.00	0.00	0.00	2,297.62	90.69	-23.54	93.70	0.00	0.00	0.00
	400.00	0.00	0.00	2,397.62	90.69	-23.54	93.70	0.00	0.00	0.00
				,						
	500.00	0.00	0.00	2,497.62	90.69	-23.54	93.70	0.00	0.00	0.00
2,6	00.00	0.00	0.00	2,597.62	90.69	-23.54	93.70	0.00	0.00	0.00
2,7	700.00	0.00	0.00	2,697.62	90.69	-23.54	93.70	0.00	0.00	0.00
	300.00	0.00	0.00	2,797.62	90.69	-23.54	93.70	0.00	0.00	0.00
2,9	900.00	0.00	0.00	2,897.62	90.69	-23.54	93.70	0.00	0.00	0.00
2.0	200 00	0.00	0.00	2 007 62	00.60	22.54	02.70	0.00	0.00	0.00
	00.00	0.00	0.00	2,997.62	90.69	-23.54	93.70	0.00	0.00	0.00
	100.00	0.00	0.00	3,097.62	90.69	-23.54	93.70	0.00	0.00	0.00
,	200.00	0.00	0.00	3,197.62	90.69	-23.54	93.70	0.00	0.00	0.00
	300.00	0.00	0.00	3,297.62	90.69	-23.54	93.70	0.00	0.00	0.00
3,4	400.00	0.00	0.00	3,397.62	90.69	-23.54	93.70	0.00	0.00	0.00
3.5	500.00	0.00	0.00	3,497.62	90.69	-23.54	93.70	0.00	0.00	0.00
	300.00	0.00	0.00	3,597.62	90.69	-23.54	93.70	0.00	0.00	0.00
	700.00	0.00	0.00	3,697.62	90.69	-23.54	93.70	0.00	0.00	0.00
3,6		0.00	0.00		30.00	20.01	30.10	0.00	0.00	
3,6 3,7	300.00	0.00	0.00	3,797.62	90.69	-23.54	93.70	0.00	0.00	0.00



Company:

SDI **Planning Report**



EDM5000-RobertS-Local Database:

US ROCKIES REGION PLANNING

Project: UTAH - UTM (feet), NAD27, Zone 12N

Site: NBU 1022-12F PAD Well: NBU 1022-12F1CS

Wellbore: ОН

Design: PLAN #1 PRELIMINARY Local Co-ordinate Reference:

TVD Reference:

MD Reference:

North Reference:

Survey Calculation Method:

Well NBU 1022-12F1CS

GL 5164 & KB 4

@ 5168.00ft (ASSUMED)

GL 5164 & KB 4

@ 5168.00ft (ASSUMED)

True

Minimum Curvature

nned Survey									
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
4,000.00	0.00	0.00	3,997.62	90.69	-23.54	93.70	0.00	0.00	0.00
4,100.00	0.00	0.00	4,097.62	90.69	-23.54	93.70	0.00	0.00	0.00
4,119.38	0.00	0.00	4,117.00	90.69	-23.54	93.70	0.00	0.00	0.00
WASATCH									
4,200.00	0.00	0.00	4,197.62	90.69	-23.54	93.70	0.00	0.00	0.00
4,300.00	0.00	0.00	4,297.62	90.69	-23.54	93.70	0.00	0.00	0.00
4,400.00	0.00	0.00	4,397.62	90.69	-23.54	93.70	0.00	0.00	0.00
4,500.00	0.00	0.00	4,497.62	90.69	-23.54	93.70	0.00	0.00	0.00
4,600.00	0.00	0.00	4,597.62	90.69	-23.54	93.70	0.00	0.00	0.00
4,700.00	0.00	0.00	4,697.62	90.69	-23.54	93.70	0.00	0.00	0.00
4,800.00	0.00	0.00	4,797.62	90.69	-23.54	93.70	0.00	0.00	0.00
4,900.00	0.00	0.00	4,897.62	90.69	-23.54	93.70	0.00	0.00	0.00
5,000.00	0.00	0.00	4,997.62	90.69	-23.54	93.70	0.00	0.00	0.00
5,100.00	0.00	0.00	5,097.62	90.69	-23.54	93.70	0.00	0.00	0.00
5,200.00	0.00	0.00	5,197.62	90.69	-23.54	93.70	0.00	0.00	0.00
5,300.00	0.00	0.00	5,297.62	90.69	-23.54	93.70	0.00	0.00	0.00
5,400.00	0.00	0.00	5,397.62	90.69	-23.54	93.70	0.00	0.00	0.00
5,500.00	0.00	0.00	5,497.62	90.69	-23.54	93.70	0.00	0.00	0.00
5,600.00	0.00	0.00	5,597.62	90.69	-23.54	93.70	0.00	0.00	0.00
5,700.00	0.00	0.00	5,697.62	90.69	-23.54	93.70	0.00	0.00	0.00
5,800.00	0.00	0.00	5,797.62	90.69	-23.54	93.70	0.00	0.00	0.00
5,900.00	0.00	0.00	5,897.62	90.69	-23.54	93.70	0.00	0.00	0.00
6,000.00	0.00	0.00	5,997.62	90.69	-23.54	93.70	0.00	0.00	0.00
6,100.00	0.00	0.00	6,097.62	90.69	-23.54	93.70	0.00	0.00	0.00
6,200.00	0.00	0.00	6,197.62	90.69	-23.54	93.70	0.00	0.00	0.00
6,282.38	0.00	0.00	6,280.00	90.69	-23.54	93.70	0.00	0.00	0.00
MESAVERDI									
6,300.00	0.00	0.00	6,297.62	90.69	-23.54	93.70	0.00	0.00	0.00
6,400.00	0.00	0.00	6,397.62	90.69	-23.54	93.70	0.00	0.00	0.00
6,500.00	0.00	0.00	6,497.62	90.69	-23.54	93.70	0.00	0.00	0.00
6,600.00	0.00	0.00	6,597.62	90.69	-23.54	93.70	0.00	0.00	0.00
6,700.00	0.00	0.00	6,697.62	90.69	-23.54	93.70	0.00	0.00	0.00
6,800.00	0.00	0.00	6,797.62	90.69	-23.54	93.70	0.00	0.00	0.00
6,900.00	0.00	0.00	6,897.62	90.69	-23.54	93.70	0.00	0.00	0.00
7,000.00	0.00	0.00	6,997.62	90.69	-23.54	93.70	0.00	0.00	0.00
7,100.00	0.00	0.00	7,097.62	90.69	-23.54	93.70	0.00	0.00	0.00
7,200.00	0.00	0.00	7,197.62	90.69	-23.54	93.70	0.00	0.00	0.00
7,300.00	0.00	0.00	7,297.62	90.69	-23.54	93.70	0.00	0.00	0.00
7,400.00	0.00	0.00	7,297.62	90.69	-23.54 -23.54	93.70	0.00	0.00	0.00
7,500.00	0.00	0.00	7,497.62	90.69	-23.54	93.70	0.00	0.00	0.00
7,600.00	0.00	0.00	7,597.62	90.69	-23.54	93.70	0.00	0.00	0.00
7,700.00	0.00	0.00	7,697.62	90.69	-23.54	93.70	0.00	0.00	0.00
7,800.00	0.00	0.00	7,797.62	90.69	-23.54	93.70	0.00	0.00	0.00
7,900.00	0.00	0.00	7,897.62	90.69	-23.54	93.70	0.00	0.00	0.00
8,000.00	0.00	0.00	7,997.62	90.69	-23.54	93.70	0.00	0.00	0.00
8,100.00	0.00	0.00	8,097.62	90.69	-23.54	93.70	0.00	0.00	0.00
8,200.00	0.00	0.00	8,197.62	90.69	-23.54	93.70	0.00	0.00	0.00
8,300.00	0.00	0.00	8,297.62	90.69	-23.54	93.70	0.00	0.00	0.00
8,400.00	0.00	0.00	8,397.62	90.69	-23.54	93.70	0.00	0.00	0.00
8,459.38	0.00	0.00	8,457.00	90.69	-23.54	93.70	0.00	0.00	0.00
		1022-12F1CS							



SDI **Planning Report**



Database: Company: EDM5000-RobertS-Local

US ROCKIES REGION PLANNING

Project:

UTAH - UTM (feet), NAD27, Zone 12N

Site: Well: NBU 1022-12F PAD NBU 1022-12F1CS

Wellbore:

ОН

Design:

PLAN #1 PRELIMINARY

Local Co-ordinate Reference:

Survey Calculation Method:

TVD Reference:

MD Reference:

North Reference:

Well NBU 1022-12F1CS

GL 5164 & KB 4

@ 5168.00ft (ASSUMED)

GL 5164 & KB 4

@ 5168.00ft (ASSUMED)

True

Minimum Curvature

Design Targets									
Target Name - hit/miss target - Shape	Dip Angle (°)	Dip Dir. (°)	TVD (ft)	+N/-S (ft)	+E/-W (ft)	Northing (usft)	Easting (usft)	Latitude	Longitude
PBHL_NBU 1022-12F1(- plan hits target cent - Circle (radius 25.00		0.00	8,457.00	90.69	-23.54	14,517,723.39	2,091,707.39	39° 57' 57.449 N	109° 23' 21.912 W

Casing Points							
	Measured Depth	Vertical Depth			Casing Diameter	Hole Diameter	
	(ft)	(ft)		Name	(in)	(in)	
	2,160.37	2,158.00	8 5/8"		8.625	11.000	

Formations							
	Measured Depth (ft)	Vertical Depth (ft)	Name	Lithology	Dip (°)	Dip Direction (°)	
	1,081.93 4,119.38 6,282.38	4,117.00	GREEN RIVER WASATCH MESAVERDE				

Plan Annotations				
Measured	Vertical	Local Coore	dinates	
Depth (ft)	Depth (ft)	+N/-S	+E/-W	Comment
(11)	(11)	(ft)	(ft)	Comment
300.00	300.00	0.00	0.00	Start Build 2.00
450.00	449.93	3.80	-0.99	Start 1629.53 hold at 450.00 MD
2,079.53	2,077.23	86.35	-22.41	Start Drop -1.75
2,250.96	2,248.58	90.69	-23.54	Start 6208.42 hold at 2250.96 MD
8,459.38	8,457.00	90.69	-23.54	TD at 8459.38

Surface Use Plan of Operations 1 of 9

NBU 1022-12E1BS/ 1022-12E1CS/ 1022-12E4BS/ 1022-12F1BS 1022-12F1CS/ 1022-12F4BS

Surface:	1818 FNL / 2146 FWL	SENW	Lot
BHL:	1572 FNL / 820 FWL	SWNW	Lot
_	NBU 1022-12E1CS	_	
Surface:	1824 FNL / 2154 FWL	SENW	Lot
BHL:	1903 FNL / 821 FWL	SWNW	Lot
_	NBU 1022-12E4BS	_	
Surface:	1835 FNL / 2170 FWL	SENW	Lot
BHL:	2234 FNL / 821 FWL	SWNW	Lot
_	NBU 1022-12F1BS	_	
Surface:	1841 FNL / 2179 FWL	SENW	Lot
Surface: BHL:	1841 FNL / 2179 FWL 1407 FNL / 2137 FWL	SENW SENW	Lot Lot
	1407 FNL / 2137 FWL		
BHL:	1407 FNL / 2137 FWL NBU 1022-12F1CS	SENW	Lot
BHL: Surface:	1407 FNL / 2137 FWL NBU 1022-12F1CS 1830 FNL / 2162 FWL	SENW SENW	Lot
BHL: Surface:	1407 FNL / 2137 FWL NBU 1022-12F1CS 1830 FNL / 2162 FWL	SENW SENW	Lot
BHL: Surface:	1407 FNL / 2137 FWL NBU 1022-12F1CS 1830 FNL / 2162 FWL 1739 FNL / 2138 FWL	SENW SENW	Lot
BHL: Surface: BHL:	1407 FNL / 2137 FWL NBU 1022-12F1CS 1830 FNL / 2162 FWL 1739 FNL / 2138 FWL NBU 1022-12F4BS	SENW SENW SENW	Lot Lot Lot

NRII 1022-12F1RS

Pad: NBU 1022-12F PAD

Section 12 T10S R22E

Mineral Lease: UT ST UO 01197-A ST

Uintah County, Utah

Operator: Kerr-McGee Oil & Gas Onshore LP

This SUPO contains surface operating procedures for Kerr-McGee Oil & Gas Onshore LP (KMG), a wholly owned subsidiary of Anadarko Petroleum Corporation (APC) pertaining to actions that involve the State of Utah School and Institutional Trust Lands Administration (SITLA) in the development of minerals leased to APC/KMG (including but not limited to, APDs/SULAs/ROEs/ROWs and/or easements.)

See associated Utah Division of Oil, Gas, and Mining (UDOGM) Form 3(s), plats, maps, and other attachments for site-specific information on projects represented herein.

In accordance with Utah Oil & Gas Conservation Rule R649-3-11 pertaining to Directional Drilling, these wells will be directionally drilled. Refer to Topo Map A for directions to the location and Topo Maps A and B for location of access roads within a 2-mile radius.

NBU 1022-12E1BS/ 1022-12E1CS/ 1022-12E4BS/ 1022-12F1BS 1022-12F1CS/ 1022-12F4BS Surface Use Plan of Operations 2 of 9

A. Existing Roads:

Existing roads consist of county and improved/unimproved lease roads. KMG will maintain existing roads in a condition that is the same as or better than before operations began and in a safe and usable condition. Maintenance of existing roads will continue until final abandonment and reclamation of well pads and/or other facilities. The road maintenance may include, but is not limited to, blading, ditching, culvert installation/cleanout, surfacing, and dust control.

Typically, roads, gathering lines and electrical distribution lines will occupy common disturbance corridors and roadways will be used as working space. All disturbances located in the same corridor will overlap each other to the maximum extent possible; in no case will the maximum disturbance width of the access road and utility corridors exceed 50', unless otherwise approved.

B. Planned Access Roads:

No new access road is proposed. (see Topo Map B). Applicable Uintah County encroachment and/or pipeline crossing permits will be obtained prior to construction/development. No other pipelines will be crossed at this location.

If there are roads that are new or to be reconstructed, they will be located, designed, and maintained to meet the standards of SITLA and other commonly accepted Best Management Practices (BMPs). If a new road/corridor were to cross a water of the United States, KMG will adhere to the requirements of applicable Nationwide or Individual Permits of the Department of Army Corps of Engineers.

During the onsite, turnouts, major cut and fills, culverts, bridges, gates, cattle guards, low water crossings, or modifications needed to existing infrastructure/facilities were determined, as applicable, are typically shown on attached Exhibits and Topo maps.

C. Location of Existing and Proposed Facilities:

This pad will expand the existing pad for the NBU 513-12E and NBU 513-12EX. The NBU 513-12E was plugged and abandoned on April 27, 2010. The NBU 513-12EX well location is a vertical producing well according to Utah Division of Oil, Gas and Mining (UDOGM) records as of September 7, 2011

Production facilities (see Well Pad Design Summary and Facilities Diagram):

Production facilities will be installed on the disturbed portion of the well pad and may include bermed components (typically excluding dehy's and/or separators) that contain fluids (i.e. production tanks, produced liquids tanks). The berms will be constructed of compacted subsoil or corrugated metal, impervious, designed to hold 110% of the capacity of the largest tank, and be independent of the back cut. All permanent (on-site six months or longer) above ground structures constructed or installed, including pumping units, will be painted a flat, non-reflective, earth-tone color chosen at the onsite in coordination with SITLA.

Gathering Facilities:

The following pipeline transmission facilities will apply if the well is productive (see Topo D):

NBU 1022-12E1BS/ 1022-12E1CS/ 1022-12E4BS/ 1022-12F1BS 1022-12F1CS/ 1022-12F4BS Surface Use Plan of Operations 3 of 9

The total gas gathering (steel line pipe with fusion bond epoxy coating) pipeline distances from the meter to the tie in point is $\pm 2,170$ ' and the individual segments are broken up as follows:

- ±495' (0.1 miles) –New 6" buried gas pipeline from the meter to the edge of the pad. Please refer to Topo D2 Pad and Pipeline Detail.
- ±290' (0.1 miles) –New 6" buried gas pipeline from the edge of pad to the tie-in at the proposed 1022-12F4 Intersection 8" gas pipeline. Please refer to Topo D & D2.
- $\pm 1,385'$ (0.3 miles) –New 8" buried gas pipeline from the proposed 1022-12F4 Intersection 8" gas pipeline to the tie-in at the proposed 1022-12B Intersection 10" gas pipeline. Please refer to Topo D & D2.

The total liquid gathering pipeline distance from the separator to the tie in point is $\pm 2,170$ 'and the individual segments are broken up as follows:

- ±495' (0.1 miles) –New 6" buried liquid pipeline from the separator to the edge of the pad. Please refer to Topo D2 Pad and Pipeline Detail.
- ±290' (0.1 miles) –New 6" buried liquid pipeline from the edge of pad to the tie-in at the proposed 1022-12F4 Intersection 6" liquid pipeline. Please refer to Topo D & D2.
- ±1,385' (0.3 miles) –New 6" buried liquid pipeline from the tie-in at the proposed 1022-12F4 Intersection 6" liquid pipeline to the tie-in at the proposed 1022-12B Intersection 6" liquid pipeline. Please refer to Topo D & D2.

The liquid gathering lines will be made of polyethylene or a composite polyethylene/steel or polyethylene/fiberglass that is not subject to internal or external pipe corrosion. The content of the produced fluids to be transferred by the liquid gathering system will be approximately 92% produced water and 8% condensate. Trunk line valve connections for the water gathering system will be below ground but accessible from the surface in order to prevent freezing during winter time.

The proposed pipelines will be buried and will include gas gathering and liquid gathering pipelines in the same trench. Where the pipeline is adjacent to the road or well pad, the road and/or well pad will be utilized for construction activities and staging. KMG requests a permanent 30' right-of-way adjacent to the road for life-of-project for maintenance, repairs, and/or upgrades, no additional right-of-way will be needed beyond the 30'. Where the pipeline is not adjacent to the road or well pad, KMG requests a temporary 45' construction right-of-way 30' permanent right-of-way.

The proposed trench width for the pipeline would range from 18-48 inches and will be excavated to a depth of 48 to 60 inches of normal soil cover or 24 inches of cover in consolidated rock. During construction blasting may occur along the proposed right-of-way where trenching equipment cannot cut into the bedrock. Large debris and rocks removed from the earth during trenching and blasting that could not be returned to the trench would be distributed evenly and naturally in the project area. The proposed pipelines will be pressure tested pneumatically (depending on size) or with fluids (either fresh or produced). If fluids are used, there will be no discharge to the surface.

Pipeline signs will be installed along the right-of-way to indicate the pipeline proximity and ownership, as well as to provide emergency contact phone numbers. Above ground valves, T's, and/or cathodic protection will be installed at various locations for connection, corrosion prevention and/or for safety purposes.

NBU 1022-12E1BS/ 1022-12E1CS/ 1022-12E4BS/ 1022-12F1BS 1022-12F1CS/ 1022-12F4BS Surface Use Plan of Operations 4 of 9

D. Location and Type of Water Supply:

Water for drilling purposes will be obtained from one of the following sources:

- Dalbo Inc.'s underground well located in Ouray, Utah, Sec. 32 T4S R3E, Water User Claim number 43-8496, application number 53617.
- Price Water Pumping Inc. Green River and White River, various sources, Water Right Number 49-1659, application number: a35745.

Water will be hauled to location over the roads marked on Maps A and B.

No water well is to be drilled on this lease.

E. Source of Construction Materials:

Construction operations will typically be completed with native materials found on location. If needed, construction materials that must be imported to the site (mineral material aggregate, soils or materials suitable for fill/surfacing) will be obtained from a nearby permitted source and described in subsequent Sundry requests. No construction materials will be removed from State lands without prior approval from SITLA.

F. Methods for Handling Waste Materials:

Should the well be productive, produced water will be contained in a water tank and will be transported by pipeline and/or truck to an approved disposal sites facilities and/or Salt Water Disposal (SWD) injection well. Currently, those facilities are:

RNI in Sec. 5 T9S R22E

Ace Oilfield in Sec. 2 T6S R20E MC&MC in Sec. 12 T6S R19E

Pipeline Facility in Sec. 36 T9S R20E

Goat Pasture Evaporation Pond in SW/4 Sec. 16 T10S R22E

Bonanza Evaporation Pond in Sec. 2 T10S R23E

Ouray #1 SWD in Sec. 1 T9S R21E NBU 159 SWD in Sec. 35 T9S R21E CIGE 112D SWD in Sec. 19 T9S R21E CIGE 114 SWD in Sec. 34 T9S R21E NBU 921-34K SWD in Sec. 34 T9S R21E NBU 921-33F SWD in Sec. 33 T9S R21E NBU 921-34L SWD in Sec. 34 T9S R21E

Drill cuttings and/or fluids will be contained in the reserve/frac pit. Cuttings will be buried in pit(s) upon closure. Unless otherwise approved, no oil or other oil-based drilling additives, chromium/metals-based, or saline muds will be used during drilling. Only fresh water (as specified above), biodegradable polymer soap, bentonite clay, and/or non-toxic additives will be used in the mud system.

NBU 1022-12E1BS/ 1022-12E1CS/ 1022-12E4BS/ 1022-12F1BS 1022-12F1CS/ 1022-12F4BS Surface Use Plan of Operations 5 of 9

Pits will be constructed to minimize the accumulation of surface runoff. Should fluid hydrocarbons be encountered during drilling, completions or well testing, product will either be contained in test tanks on the well site or evacuated by vacuum trucks and transported to an approved disposal/sales facility. Should petroleum hydrocarbons unexpectedly be released into a pit, they will be removed as soon as practical but in no case will they remain longer than 72 hours unless an alternate is approved by SITLA. Should timely removal prove infeasible, the pit will be netted with mesh no larger than 1 inch until such time as hydrocarbons can be removed. Hydrocarbon removal will also take place prior to the closure of the pit, unless authorization is provided for disposal via alternative pit closure methods (e.g. solidification.)

The reserve and/or fracture stimulation pit will be lined with a synthetic material 20 mil or thicker, The liner will be installed over smooth fill subgrade that is free of pockets, loose rocks, or other materials (i.e. sand, sifted dirt, bentonite, straw, etc.) that could damage the liner. Any additional pits necessary for subsequent operations, such as temporary flare or workover pits, will be contained within the originally approved well pad and disturbance boundaries. Such temporary pits will be backfilled and reclaimed within 180 days of completion of work at a well location.

For the protection of livestock and wildlife, all open pits and cellars will be fenced/covered to prevent wildlife or livestock entry. Total height of pit fencing will be at least 42 inches and corner posts will be cemented and/or braced in such a manner as to keep the fence tight at all times. Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any 2 fence posts shall be no greater than 16 feet.

Pits containing drilling cuttings, mud, and/or completions fluids will be allowed to dry. Any free fluids remaining after after six (6) months from reaching total depth, date of completion, and/or determination of inactivity will be removed (as weather conditions allow) to an approved site and the pit reclaimed. Additional drying methods may include fly-ash solidification or sprinkler evaporation. Installation and operation of any sprinklers, pumps, and equipment will ensure that water spray or mist does not drift. Reserve pit liners will be cut off or folded as near to the mud surface as possible and as safety considerations allow and buried on location.

No garbage or non-exempt substances as defined by Resource Conservation and Recovery Act (RCRA) subtitle C will be placed in the reserve pit. All refuse generated during construction, drilling, completion, and well testing activities will be contained in an enclosed receptacle, removed from the drill locations promptly, and transported to an approved disposal facility.

Portable, self-contained chemical toilets and/or sewage processing facilities will be provided for human waste disposal. Upon completion of operations, or as required, the toilet holding tanks will be pumped and the contents disposed of in an approved sewage disposal facility. All applicable regulations pertaining to disposal of human and solid waste will be observed.

Any undesirable event, including accidental release of fluids, or release in excess of reportable quantities, will be managed according to the notification requirements of UDOGMs "Reporting Oil and Gas Undesirable Events" rule. Where State wells are participatory to a Federal agreement, according to NTL-3A, the appropriate Federal agencies will be notified.

Materials Management

Hazardous materials above reportable quantities will not be produced by drilling or completing proposed wells or constructing the pipelines/facilities. The term "hazardous materials" as used here means: (1) any substance, pollutant, or

NBU 1022-12E1BS/ 1022-12E1CS/ 1022-12E4BS/ 1022-12F1BS 1022-12F1CS/ 1022-12F4BS Surface Use Plan of Operations 6 of 9

containment listed as hazardous under the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) of 1980, as amended 42 U.S.C. 9601 et seq., and the regulations issued under CERCLA; and (2) any hazardous waste as defined in RCRA of 1976, as amended. In addition, no extremely hazardous substance, as defined in 40 CFR 355, in threshold planning quantities, would be used, produced, stored, transported, or disposed of while producing any well.

Chemicals subject to reporting under Title III of the Superfund Amendments and Reauthorization Act (SARA) in quantities of 10,000 pounds or more may be produced and/or stored at production facilities and may be kept in limited quantities on drilling sites and well locations for short periods of time during drilling or completion activities.

G. Ancillary Facilities:

None are anticipated.

H. Well Site Layout (see Well Pad Design Summary):

The location, orientation and aerial extent of each drill pad; reserve/completion/flare pit; access road ingress/egress points, drilling rig, dikes/ditches, existing wells/infrastructure; proposed cuts and fills; and topsoil and spoil material stockpile locations are depicted on the exhibits for each project, where applicable. Site-specific conditions may require slight deviation in actual equipment and facility layout; however, the area of disturbance, as described in the survey, will not be exceeded.

Coordinates are provided in the National Spatial Reference System, North American Datum, 1927 (NAD27) or latest edition. Distances are depicted on each plat to the nearest two adjacent section lines.

I. Plans for Reclamation of the Surface:

Surface reclamation will be undertaken in two phases: interim and final. Interim reclamation is conducted following well completion and extends through the period of production. This reclamation is for the area of the well pad that is not required for production activities. Final reclamation is conducted following well plugging/conversion and/or facility abandonment processes.

Reclamation activities in both phases may include but is not limited to the re-contouring or re-configuration of topographic surfaces, restoration of drainage systems, segregation of spoils materials, minimizing surface disturbance, re-evaluating backfill requirements, pit closure, topsoil redistribution, soil treatments, seeding and weed control.

Interim Reclamation

Interim reclamation includes pit closure, re-contouring (where possible), soil bed preparation, topsoil placement, seeding, and/or weed control.

Interim re-contouring involves bringing all construction material from cuts and fills back onto the well pad and site and reestablishing the natural contours where desirable and practical. Fill and stockpiled spoils no longer necessary to the operation will be spread on the cut slopes and covered with stockpiled topsoil. All stockpiled top soils will be used for interim reclamation where practical to maintain soil viability. Where possible, the land surface will be left "rough" after

NBU 1022-12E1BS/ 1022-12E1CS/ 1022-12E4BS/ 1022-12F1BS 1022-12F1CS/ 1022-12F4BS Surface Use Plan of Operations 7 of 9

re-contouring to ensure that the maximum surface area will be available to support the reestablishment of vegetative cover.

A reserve pit, upon being allowed to dry, will be backfilled and compacted with cover materials that are void of any topsoil, vegetation, large stones, rocks or foreign objects. Soils that are moisture laden, saturated, or partially/completely frozen will not be used for backfill or cover. The pit area will be mounded to allow for settling and to promote positive surface drainage away from the pit.

Final Reclamation

Final reclamation will be performed for newly drilled unproductive wells and/or at the end of the life of a productive well. As soon as practical after the conclusion of drilling and testing operations, unproductive drill holes will be plugged and abandoned (P&A). Site and road reclamation will commence following plugging. In no case will reclamation at non-producing locations be initiated later than six (6) months from the date a well is plugged. A joint inspection of the disturbed area to be reclaimed may be requested by KMG. The primary purpose of this inspection will be to review the existing conditions, or agree upon a revised final reclamation and abandonment plan. A Notice of Intent to Abandon will be filed for final recommendations regarding surface reclamation.

After plugging, all wellhead equipment that is no longer needed will be removed, and the well site will be reclaimed. Final contouring will blend with and follow as closely as practical the natural terrain and contours of the original site and surrounding areas. After re-contouring, final grading will be conducted over the entire surface of the well site and access road. Where practical, the area will be ripped to a depth of 18 to 24 inches on 18 to 24-inch centers and surface materials will be pitted with small depressions to form longitudinal depressions 12 to 18 inches deep perpendicular to the natural flow of water.

All unnecessary surface equipment and structures (e.g. cattle guards) and water control structures (e.g. culverts, drainage pipes) not needed to facilitate successful reclamation will be removed during final reclamation. Roads that will be reclaimed will be ripped to a depth of 18 inches where practical, re-contoured to approximate the original contour of the ground and seeded.

Upon successfully completing reclamation of a P&A location, a Final Abandonment Notice will be submitted to UDOGM.

Seeding and Measures Common to Interim and Final Reclamation

Reclaimed areas may be fenced to exclude grazing and encourage re-vegetation.

On slopes where severe erosion can become a problem and the use of machinery is not practical, seed will be hand broadcast and raked with twice the specified amount of seed. The slope will be stabilized using materials specifically designed to prevent erosion on steep slopes and hold seed in place so vegetation can become permanently established. These materials will include, but are not limited to, erosion control blankets and bonded fiber matrix at a rate to achieve a minimum of 80 percent soil coverage.

Seeding will occur year-round as conditions allow. Seed mixes appropriate to the native plant community as determined and specified for each project location based on the site specific soils will be used for re-vegetation. The site specific seed mix will be provided by SITLA.

NBU 1022-12E1BS/ 1022-12E1CS/ 1022-12E4BS/ 1022-12F1BS 1022-12F1CS/ 1022-12F4BS Surface Use Plan of Operations 8 of 9

J. <u>Surface/Mineral Ownership</u>:

SITLA 675 East 500 South, Suite 500 Salt Lake City, UT 84102

L. Other Information:

None

NBU 1022-12E1BS/ 1022-12E1CS/ 1022-12E4BS/ 1022-12F1BS 1022-12F1CS/ 1022-12F4BS Surface Use Plan of Operations 9 of 9

M. Lessee's or Operators' Representative & Certification:

Gina T. Becker Regulatory Analyst II Kerr-McGee Oil & Gas Onshore LP PO Box 173779 Denver, CO 80217-3779 (720) 929-6086 Tommy Thompson General Manager, Drilling Kerr-McGee Oil & Gas Onshore LP PO Box 173779 Denver, CO 80217-3779 (720) 929-6724

Certification: All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved Plan of Operations, and any applicable Notice to Lessees.

The Operator will be fully responsible for the actions of its subcontractors. A complete copy of the approved "Application for Permit to Drill" will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

Kerr-McGee Oil & Gas Onshore LP is considered to be the operator of the subject well. Kerr-McGee Oil & Gas Onshore LP agrees to be responsible under terms and conditions of the lease for the operations conducted upon leased lands.

Bond coverage for State lease activities is provided by State Surety Bond 22013542, and for applicable Federal lease activities and pursuant to 43 CFR 3104, by Bureau of Land Management Nationwide Bond WYB000291.

I hereby certify that I, or persons under my supervision, have inspected the proposed drill site and access route, that I am familiar with the conditions that currently exist; that I have full knowledge of the State and Federal laws applicable to this operation; that the statements made in this plan are, to the best of my knowledge, true and correct; and the work associated with the operations proposed herein will be performed in conformity with this APD package and the terms and conditions under which it is approved. I also certify that I, or the company I represent, am responsible for operations conducted under this application. These statements are subject to the provisions of 18 U.S.C. 1001 for the filing of false statements.

Col. O. Bell	September 7, 2011
Gina T.Becker	Date



Joseph D. Johnson 1099 18TH STREET STE. 1800 • DENVER, CO 80202 720-929-6708 • FAX 720-929-7708 E-MAIL: JOE.JOHNSON@ANADARKO.COM

September 7, 2011

Ms. Diana Mason Division of Oil, Gas and Mining P.O. Box 145801 Salt Lake City, UT 84114-6100

Re: Directional Drilling R649-3-11

NBU 1022-12F1CS 10S-22E-Sec. 12 SENW/SENW

Surface: 1830' FNL, 2162' FWL Bottom Hole: 1739' FNL, 2138' FWL

Uintah County, Utah

Dear Ms. Mason:

Pursuant to the filing of Kerr-McGee Oil & Gas Onshore LP's (Kerr-McGee) Application for Permit to Drill regarding the above referenced well, we are hereby submitting this letter in accordance with Oil & Gas Conservation Rule R649-3-11 pertaining to the Exception to Location and Siting of Wells.

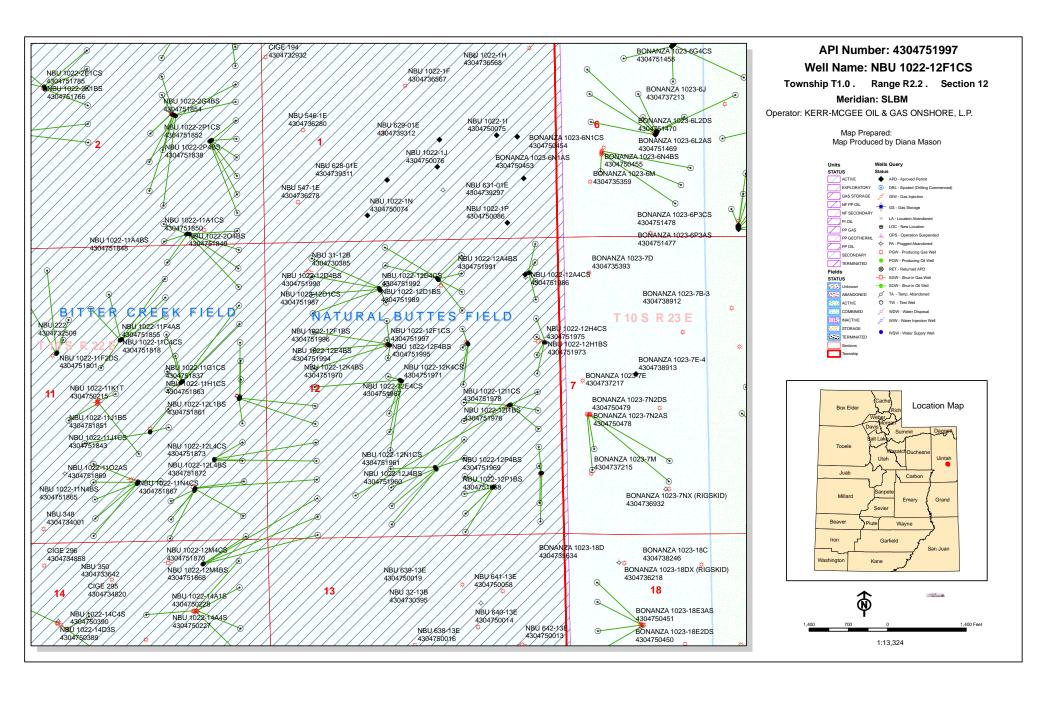
- Kerr-McGee's NBU 1022-12F1CS is located within the Natural Buttes Unit area.
- Kerr-McGee is permitting this well as a directional well in order to minimize surface disturbance. Locating the well at the surface location and directionally drilling from this location, Kerr-McGee will be able to utilize the existing road and pipelines in the area.
- Furthermore, Kerr-McGee certifies that it is the sole working interest owner within 460 feet of the entire
 directional well bore.

Therefore, based on the above stated information Kerr-McGee Oil & Gas Onshore LP requests the permit be granted pursuant to R649-3-11.

Sincerely,

KERR-MCGEE OIL & GAS ONSHORE LP

Joseph D. Johnson Landman



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, Utah 84145-0155

IN REPLY REFER TO: 3160 (UT-922)

September 19, 2011

Memorandum

To: Assistant District Manager Minerals, Vernal District

From: Michael Coulthard, Petroleum Engineer

Subject: 2011 Plan of Development Natural Buttes Unit

Uintah County, Utah.

Pursuant to email between Diana Whitney, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following wells are planned for calendar year 2011 within the Natural Buttes Unit, Uintah County, Utah.

API # WELL NAME LOCATION

(Proposed PZ WASATCH-MESA VERDE)

NBU 1022-12H PAD 43-047-51941 NBU 1022-12H4BS Sec 12 T10S R22E 1846 FNL 0361 FEL BHL Sec 12 T10S R22E 2071 FNL 0491 FEL 43-047-51942 NBU 1022-12H1CS Sec 12 T10S R22E 1843 FNL 0341 FEL BHL Sec 12 T10S R22E 1740 FNL 0491 FEL 43-047-51973 NBU 1022-12H1BS Sec 12 T10S R22E 1842 FNL 0331 FEL BHL Sec 12 T10S R22E 1408 FNL 0491 FEL 43-047-51975 NBU 1022-12H4CS Sec 12 T10S R22E 1845 FNL 0351 FEL BHL Sec 12 T10S R22E 2402 FNL 0492 FEL NBU 1022-120 PAD 43-047-51943 NBU 1022-12N4BS Sec 12 T10S R22E 1224 FSL 2329 FEL BHL Sec 12 T10S R22E 0580 FSL 2150 FWL 43-047-51945 NBU 1022-12N4CS Sec 12 T10S R22E 1216 FSL 2323 FEL BHL Sec 12 T10S R22E 0251 FSL 2141 FWL 43-047-51956 NBU 1022-12J4CS Sec 12 T10S R22E 1240 FSL 2341 FEL BHL Sec 12 T10S R22E 1409 FSL 1817 FEL 43-047-51959 NBU 1022-12N1BS Sec 12 T10S R22E 1257 FSL 2352 FEL BHL Sec 12 T10S R22E 1242 FSL 2147 FWL 43-047-51960 NBU 1022-12J4BS Sec 12 T10S R22E 1249 FSL 2346 FEL

BHL Sec 12 T10S R22E 1740 FSL 1816 FEL

API #	WE:	LL NAME		LO	CATIO	N		
(Proposed PZ	WASA	ATCH-MESA VERDI	Ξ)					
43-047-51961	NBU	1022-12N1CS BHL			R22E R22E		_	
NBU 1022-12B 43-047-51944		1022-12B1BS BHL			R22E R22E			
43-047-51979	NBU	1022-12C1BS BHL			R22E R22E			
43-047-51980	NBU	1022-12B1CS BHL			R22E R22E			
43-047-51981	NBU	1022-12C1CS BHL			R22E R22E			
43-047-51982	NBU	1022-12B4BS BHL			R22E R22E			
		1022-12B4CS BHL			R22E R22E			
NBU 1022-12P 43-047-51947		1022-12P4CS BHL			R22E R22E			
43-047-51962	NBU	1022-12I4CS BHL			R22E R22E			
43-047-51968	NBU	1022-12P1BS BHL			R22E R22E			
43-047-51969	NBU	1022-12P4BS BHL			R22E R22E			
NBU 1022-12P 43-047-51949		1022-1201BS			R22E R22E			
43-047-51950	NBU	1022-1201CS BHL			R22E R22E			
43-047-51953	NBU	1022-1204BS BHL			R22E R22E		_	
43-047-51954 NBU 1022-12A		1022-1204CS BHL			R22E R22E			
		1022-12A1BS BHL			R22E R22E			
43-047-51952	NBU	1022-12A1CS BHL			R22E R22E			

API #	WE:	LL NAME		LO	CATIO	Ŋ		
(Proposed PZ	WASA	ATCH-MESA VERD	E)					
43-047-51986	NBU	1022-12A4CS BHL			R22E R22E			
		1022-12A4BS BHL			R22E R22E			
NBU 1022-12I 43-047-51955		1022-12J1CS BHL			R22E R22E			
43-047-51957	NBU	1022-12J1BS BHL			R22E R22E			
43-047-51958	NBU	1022-12I4BS BHL			R22E R22E			
43-047-51976	NBU	1022-12I1BS BHL			R22E R22E			
43-047-51978 NBU 1022-12G		1022-12I1CS BHL			R22E R22E			
		1022-12G1CS BHL			R22E R22E			
43-047-51972	NBU	1022-12G4BS BHL			R22E R22E			
43-047-51974	NBU	1022-12G1BS BHL			R22E R22E			
					R22E R22E			
NBU 1022-12F 43-047-51964		1022-12F4CS			R22E R22E			
43-047-51965	NBU	1022-12K1BS BHL			R22E R22E			
43-047-51966	NBU	1022-12K1CS BHL			R22E R22E			
43-047-51967	NBU	1022-12E4CS BHL			R22E R22E			
43-047-51970	NBU	1022-12K4BS BHL			R22E R22E			
43-047-51971	NBU	1022-12K4CS BHL			R22E R22E			

Page 4

API # WELL NAME

LOCATION

(Proposed PZ WASATCH-MESA VERDE)

NBU 1022-12CPAD

43-047-51984 NBU 1022-12C4BS Sec 12 T10S R22E 0827 FNL 2020 FWL BHL Sec 12 T10S R22E 0745 FNL 2134 FWL 43-047-51985 NBU 1022-12C4CS Sec 12 T10S R22E 0855 FNL 2031 FWL BHL Sec 12 T10S R22E 1076 FNL 2135 FWL 43-047-51987 NBU 1022-12D1CS Sec 12 T10S R22E 0818 FNL 2016 FWL BHL Sec 12 T10S R22E 0579 FNL 0819 FWL 43-047-51989 NBU 1022-12D1BS Sec 12 T10S R22E 0809 FNL 2013 FWL BHL Sec 12 T10S R22E 0260 FNL 0823 FWL 43-047-51990 NBU 1022-12D4BS Sec 12 T10S R22E 0837 FNL 2024 FWL BHL Sec 12 T10S R22E 0910 FNL 0819 FWL BHL Sec 12 T10S R22E 1241 FNL 0820 FWL NBU 1022-12FPAD 43-047-51988 NBU 1022-12E1BS Sec 12 T10S R22E 1818 FNL 2146 FWL BHL Sec 12 T10S R22E 1572 FNL 0820 FWL 43-047-51993 NBU 1022-12E1CS Sec 12 T10S R22E 1824 FNL 2154 FWL BHL Sec 12 T10S R22E 1903 FNL 0821 FWL 43-047-51994 NBU 1022-12E4BS Sec 12 T10S R22E 1835 FNL 2170 FWL BHL Sec 12 T10S R22E 2234 FNL 0821 FWL 43-047-51995 NBU 1022-12F4BS Sec 12 T10S R22E 1847 FNL 2187 FWL BHL Sec 12 T10S R22E 2070 FNL 2140 FWL 43-047-51996 NBU 1022-12F1BS Sec 12 T10S R22E 1841 FNL 2179 FWL BHL Sec 12 T10S R22E 1407 FNL 2137 FWL 43-047-51997 NBU 1022-12F1CS Sec 12 T10S R22E 1830 FNL 2162 FWL BHL Sec 12 T10S R22E 1739 FNL 2138 FWL

Michael L. Coulthard

Digitally signed by Michael L. Coulthard

DN: cn=Michael L. Coulthard, o=Bureau of Land Management, ou=Branch of Minerals,
email=Michael_Coulthard@blm.gov, c=US

Date: 2011.09.19 1447:24-0-600°

bcc: File - Natural Buttes Unit
Division of Oil Gas and Mining

Central Files Agr. Sec. Chron Fluid Chron

MCoulthard:mc:9-19-11

From: Jim Davis

To: Hill, Brad; Mason, Diana

CC: Bonner, Ed; Garrison, LaVonne; Julie Jacobsen

Date: 11/28/2011 3:44 PM

Subject: APD approvals (Kerr McGee in 10S 22E Sec12)

The following APD have been approved by SITLA including arch clearance. Construction of these locations will need to be monitored by a paleontologist as recommended in the paleo survey reports. Kerr McGee, please acknowledge this stipulation with an email response. Thanks.

4304751984 NBU 1022-12C4BS 4304751985 NBU 1022-12C4CS 4304751987 NBU 1022-12D1CS NBU 1022-12D1BS 4304751989 4304751990 NBU 1022-12D4BS 4304751992 NBU 1022-12D4CS 4304751988 NBU 1022-12E1BS 4304751993 NBU 1022-12E1CS 4304751994 NBU 1022-12E4BS 4304751995 NBU 1022-12F4BS 4304751996 NBU 1022-12F1BS 4304751997 NBU 1022-12F1CS

-Jim Davis

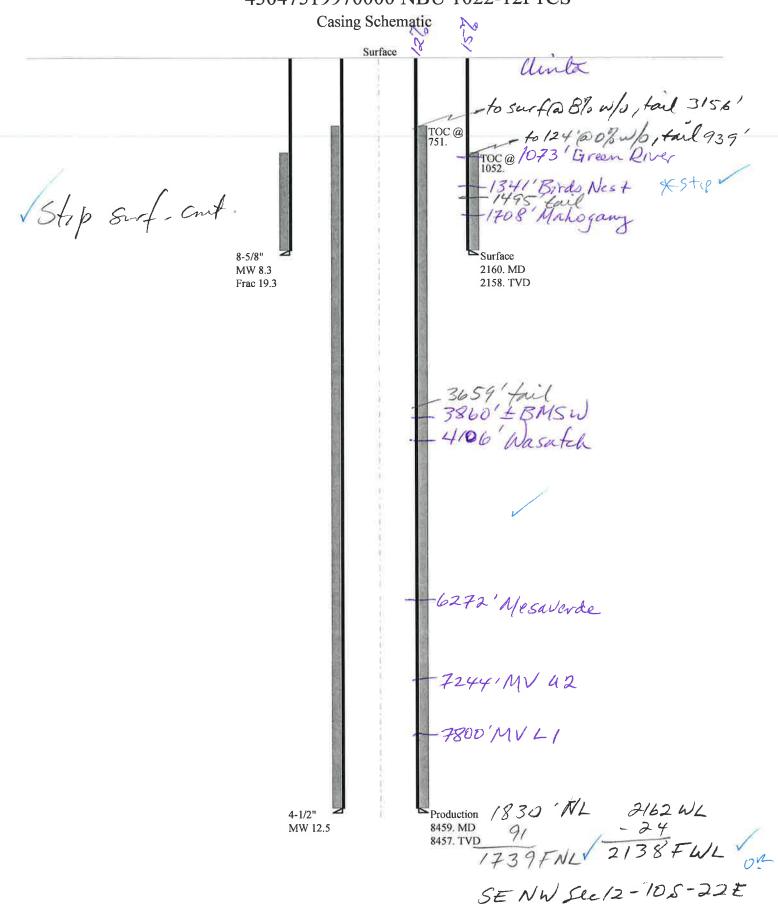
Jim Davis Utah Trust Lands Administration jimdavis1@utah.gov Phone: (801) 538-5156

BOPE REVIEW KERR-MCGEE OIL & GAS ONSHORE, L.P. NBU 1022-12F1CS 43047519970000

W. U.N.							_	-	I	
Well Name		KERR-MCGE	E OII	L & GAS C	NS	HORE, L.P. NI	BU	1022-12F1C		
String		Surf	Pr	rod	Ш		1			
Casing Size(")		8.625	4.	.500						
Setting Depth (TVD)		2151	84	457						
Previous Shoe Setting Dept	th (TVD)	40	21	151						
Max Mud Weight (ppg)		8.3	12	2.5	i		Ī			
BOPE Proposed (psi)		500	50	000	i		Ī			
Casing Internal Yield (psi)		3390	77	780		i	Ī			
Operators Max Anticipated	d Pressure (psi)	5412	12	2.3	ij		[
Calculations	Suri	f String				8.62	25	"		
Max BHP (psi)		.052*Setti	ing I	Depth*M	W=	928				
								BOPE Ade	equate For Drilling And Setting Casing at Depth?	
MASP (Gas) (psi)	Max	x BHP-(0.12*	*Sett	ting Dep	th)=	670		NO	air drill	
MASP (Gas/Mud) (psi)	Max	x BHP-(0.22*	*Sett	ting Dep	th)=	455	1	YES	OK	
								*Can Full	Expected Pressure Be Held At Previous Shoe?	
Pressure At Previous Shoe	Max BHP22*(Setting De	epth - Previou	us S	hoe Dep	th)=	464	_	NO	Reasonable for area	
Required Casing/BOPE Te	est Pressure=					2151	ī	psi		
*Max Pressure Allowed @	ax Pressure Allowed @ Previous Casing Shoe=				40	╡	psi *Assumes 1psi/ft frac gradient			
Calculations	Proc	d String				4.50	00	"		
Max BHP (psi)		.052*Setti	ing I	Depth*M	W=	5497				
								BOPE Ade	equate For Drilling And Setting Casing at Depth?	
MASP (Gas) (psi)	Max	x BHP-(0.12*	*Sett	ting Dep	th)=	4482		YES		
MASP (Gas/Mud) (psi)	Max	x BHP-(0.22*	*Sett	ting Dep	th)=	3636		YES	ОК	
								*Can Full	Expected Pressure Be Held At Previous Shoe?	
Pressure At Previous Shoe	Max BHP22*(Setting De	epth - Previou	us S	hoe Dep	th)=	4110		NO	Reasonable	
Required Casing/BOPE Te	st Pressure=					5000		psi		
*Max Pressure Allowed @	Previous Casing Shoe=					2151		psi *Ass	umes 1psi/ft frac gradient	
Calculations	S	tring						"		
Max BHP (psi)		.052*Setti	ing I	Depth*M	W=		╗			
<u> </u>			_				=	BOPE Ade	equate For Drilling And Setting Casing at Depth?	
MASP (Gas) (psi)	Max	x BHP-(0.12*	*Sett	ting Dep	th)=		ī	NO		
MASP (Gas/Mud) (psi)	Max	x BHP-(0.22*	*Sett	ting Dep	th)=	=	Ħ	NO		
, ,,,,		`			_		=	1	Expected Pressure Be Held At Previous Shoe?	
Pressure At Previous Shoe	Max BHP22*(Setting D	epth - Previou	us S	hoe Dep	th)=		7	NO	· · · · · · · · · · · · · · · · · · ·	
Required Casing/BOPE Te				1	_	 	╡	psi		
*Max Pressure Allowed @						<u> </u>	=	*	umes 1psi/ft frac gradient	
	Choing Shot					[!	_			
Calculations	S	tring						"		
Max BHP (psi)		.052*Setti	ing I	Depth*M	W=					
								BOPE Ade	equate For Drilling And Setting Casing at Depth?	
MASP (Gas) (psi)	Max	x BHP-(0.12*	*Sett	ting Dep	th)=			NO		
MASP (Gas/Mud) (psi)	Max	x BHP-(0.22*	*Sett	ting Dep	th)=			NO		
								*Can Full	Expected Pressure Be Held At Previous Shoe?	
Pressure At Previous Shoe	Max BHP22*(Setting De	epth - Previou	us S	hoe Dep	th)=			NO		
Required Casing/BOPE Te	est Pressure=						Ī	psi		
1						1.				

*Max Pressure Allowed @ Previous Casing Shoe= psi *Assumes 1psi/ft frac gradient

43047519970000 NBU 1022-12F1CS



43047519970000 NBU 1022-12F1CS Well name:

KERR-MCGEE OIL & GAS ONSHORE, L.P. Operator:

Surface String type:

Project ID: 43-047-51997 UINTAH COUNTY Location:

Burst:

Design parameters: Minimum design factors: **Environment:** Collapse Collapse: H2S considered? Nο 74 °F Surface temperature: Mud weight: 8.330 ppg Design factor 1.125 104 °F Bottom hole temperature: Design is based on evacuated pipe.

Temperature gradient: 1.40 °F/100ft Minimum section length: 100 ft

Cement top: Design factor 1.00 1,052 ft

Burst

Max anticipated surface 1,901 psi pressure:

Internal gradient: 0.120 psi/ft Calculated BHP 2,160 psi

No backup mud specified.

Tension: 1.80 (J) 8 Round STC: 8 Round LTC: 1.70 (J) Buttress: 1.60 (J) Premium: 1.50 (J) Body yield: 1.50 (B)

Tension is based on air weight. Neutral point: 1,895 ft Directional Info - Build & Drop

Kick-off point 300 ft Departure at shoe: 92 ft 2 °/100ft Maximum dogleg: 1.59° Inclination at shoe:

Re subsequent strings:

Next setting depth: 8,459 ft Next mud weight: 12.500 ppg Next setting BHP: 5,493 psi Fracture mud wt: 19.250 ppg Fracture depth: 2,160 ft Injection pressure: 2,160 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Est. Cost (\$)
1	2160	8.625	28.00	I-55	LT&C	2158	2160	7.892	85536
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (kips)	Tension Strength (kips)	Tension Design Factor
1	934	1848	1.979	2160	3390	1.57	60.4	348	5.76 J

Prepared by:

Helen Sadik-Macdonald Div of Oil, Gas & Mining

Phone: 801 538-5357 FAX: 801-359-3940

Date: December 19,2011 Salt Lake City, Utah

Collapse is based on a vertical depth of 2158 ft, a mud weight of 8.33 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Collapse strength is (biaxially) derated for doglegs in directional wells by multiplying the tensile stress by the cross section area to calculate a

Well name:

43047519970000 NBU 1022-12F1CS

Operator:

KERR-MCGEE OIL & GAS ONSHORE, L.P.

String type:

Project ID:

Production

43-047-51997

Location:

UINTAH

COUNTY

Environment: Minimum design factors:

Collapse

Mud weight:

Design parameters:

12.500 ppg Design is based on evacuated pipe.

Collapse:

Design factor 1.125

H2S considered? Surface temperature: No 74 °F

Bottom hole temperature: Temperature gradient:

192 °F

Minimum section length:

1.40 °F/100ft 100 ft

Burst:

Design factor

1.00

Cement top:

751 ft

Burst

Max anticipated surface

No backup mud specified.

pressure: Internal gradient: Calculated BHP

3,631 psi 0.220 psi/ft

5,491 psi

Tension: 8 Round STC:

8 Round LTC: Buttress: Premium:

Body yield:

1.80 (J)

1.80 (J) 1.60 (J)

1.50 (J) 1.60 (B) Directional Info - Build & Drop Kick-off point 300 ft

Departure at shoe: 94 ft Maximum dogleg: Inclination at shoe:

2 °/100ft 0 °

Tension is based on air weight.

Neutral point:

6,879 ft

Run Seq	Segment Length	Size	Nominal Weight	Grade	End Finish	True Vert Depth	Measured Depth	Drift Diameter	Est. Cost
1	(ft) 8459	(i n) 4.5	(lbs/ft) 11.60	I-80	LT&C	(ft) 8457	(ft) 8459	(in) 3.875	(\$) 111659
Run	Collapse	Collapse	Collapse	Burst	Burst	Burst	Tension	Tension	Tension
Seq	Load (psi)	Strength (psi)	Design Factor	Load (psi)	Strength (psi)	Design Factor	Load (kips)	Strength (kips)	Design Factor
1	5491	6360	1.158	5491	7780	1.42	98.1	212	2.16 J

Prepared

by:

Helen Sadik-Macdonald

Div of Oil, Gas & Mining

Phone: 801 538-5357 FAX: 801-359-3940

Date: December 19,2011

Salt Lake City, Utah

Collapse is based on a vertical depth of 8457 ft, a mud weight of 12.5 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Collapse strength is (biaxially) derated for doglegs in directional wells by multiplying the tensile stress by the cross section area to calculate a

ON-SITE PREDRILL EVALUATION

Utah Division of Oil, Gas and Mining

Operator KERR-MCGEE OIL & GAS ONSHORE, L.P.

Well Name NBU 1022-12F1CS

API Number 43047519970000 APD No 4588 Field/Unit NATURAL BUTTES

Location: 1/4,1/4 SENW Sec 12 Tw 10.0S Rng 22.0E 1830 FNL 2162 FWL

GPS Coord (UTM) 637563 4424981 Surface Owner

Participants

Andy Lytle, Sheila Wopsock, Charles Chase, Grizz Oleen, Jaime Scharnowski, Doyle Holmes, (Kerr McGee). John Slaugh, Mitch Batty, (Timberline). Jim Davis (SITLA). Ben Williams (DWR). David Hackford, (DOGM).

Regional/Local Setting & Topography

The general area is in the southeast portion of the Natural Buttes Unit. Within this area is the White River and rugged drainages that drain into it. Topography is varied and frequently dissected by short draws or washes, which become overly steep as they approach the White River breaks or rim. Distance to the White River is 1500'. The side drainages are dry except for ephemeral flows. No seeps or springs exist in the area. An occasional pond has been constructed to supply water for livestock and antelope. Vernal, Utah is approximately 47.2 miles to the northwest. Access from Vernal is by following Utah State, Uintah County and oilfield development roads. Five wells, in addition to this one will be directionally drilled from this pad. (For a total of six new wells). There is one existing well on this pad. (The NBU 513-12EX). At this time, the decision rather to PA or TA this well has not been made. This proposed location takes in an existing location, and very little new construction will be necessary except for digging the reserve pit. The existing access road will be adequate. The location runs in an east-west direction along the top of a flat topped ridge. This ridge breaks off sharply into rugged secondary canyons on the north and west sides. New construction will consist of approx. 50 feet on all sides of the existing pad, and an additional 50 feet on the southwest side for reserve pit and excess cut stockpile. No drainage concerns exist, and no diversions will be needed. The pad as modified should be stable and should be a suitable location for seven wells, and is on the best site available in the immediate area.

Surface Use Plan

Current Surface Use

Grazing Wildlfe Habitat Existing Well Pad

New Road Miles Well Pad Src Const Material Surface Formation

0 Width 352 Length 425 Onsite UNTA

Ancillary Facilities N

Waste Management Plan Adequate?

Environmental Parameters

Affected Floodplains and/or Wetlands N

Flora / Fauna

12/29/2011 Page 1

Prickly pear, wild onion, shadscale, mat saltbrush, Indian ricegrass, halogeton, pepper grass, annuals and curly Vegetation is a salt desert shrub type. Principal species present are cheatgrass, black sagebrush, stipa, mesquite grass.

Sheep, antelope, coyote, raptors, small mammals and birds

Soil Type and Characteristics

Rocky sandy clay loam.

Erosion Issues Y

Sedimentation Issues N

Site Stability Issues Y

West side of reserve pit will be 1.1 feet of fill. This fill shall be compacted during location construction.

Drainage Diverson Required? N

Berm Required? N

Erosion Sedimentation Control Required? N

Paleo Survey Run? Y Paleo Potental Observed? N Cultural Survey Run? Y Cultural Resources? N

Reserve Pit

Site-Specific Factors	Site R	anking	
Distance to Groundwater (feet)	100 to 200	5	
Distance to Surface Water (feet)	>1000	0	
Dist. Nearest Municipal Well (ft)	>5280	0	
Distance to Other Wells (feet)		20	
Native Soil Type	Mod permeability	10	
Fluid Type	Fresh Water	5	
Drill Cuttings	Normal Rock	0	
Annual Precipitation (inches)		0	
Affected Populations			
Presence Nearby Utility Conduits	Not Present	0	
	Final Score	40	1 Sensitivity Level

Characteristics / Requirements

The reserve pit is planned in an area of cut (except for the west side which will be in 1.1 feet of fill) on the west side of the location. Dimensions are 120' x 260' x 12' deep with 2' of freeboard. Kerr McGee agreed to line this pit with a 16 mil synthetic liner and a layer of felt sub-liner.

Closed Loop Mud Required? N Liner Required? Y Liner Thickness 16 Pit Underlayment Required? Y

Other Observations / Comments

Evaluator	Date / Time
David Hackford	10/12/2011

12/29/2011 Page 2

Application for Permit to Drill Statement of Basis

Utah Division of Oil, Gas and Mining 12/29/2011

Page 1

APD No	API WellNo	Status	Well Type	Surf Owner	CBM
4588	43047519970000	SITLA	GW	S	No
Operator	KERR-MCGEE OIL & GAS ONS	HORE, L.P.	Surface Owner-APD		
Well Name	NBU 1022-12F1CS		Unit	NATURAL B	UTTES
Field	NATURAL BUTTES		Type of Work	DRILL	

Location SENW 12 10S 22E S 1830 FNL 2162 FWL GPS Coord (UTM) 637492E 4425189N

Geologic Statement of Basis

Kerr McGee proposes to set 2,160' of surface casing at this location. The depth to the base of the moderately saline water at this location is estimated to be at a depth of 3,860'. A search of Division of Water Rights records shows no water wells within a 10,000 foot radius of the center of Section 12. The surface formation at this site is the Uinta Formation. The Uinta Formation is made up of interbedded shales and sandstones. The sandstones are mostly lenticular and discontinuous and should not be a significant source of useable ground water. Production casing cement should be brought up above the base of the moderately saline ground water to isolate it from fresher waters uphole.

> 10/19/2011 Brad Hill Date / Time **APD Evaluator**

Surface Statement of Basis

The general area is in the southeast portion of the Natural Buttes Unit. Within this area is the White River and rugged drainages that drain into it. Topography is varied and frequently dissected by short draws or washes, which become overly steep as they approach the White River breaks or rim. Distance to the White River is 1500'. The side drainages are dry except for ephemeral flows. No seeps or springs exist in the area. An occasional pond has been constructed to supply water for livestock and antelope. Vernal, Utah is approximately 47 miles to the northwest. Access from Vernal is by following Utah State, Uintah County and oilfield development roads. The existing access road will be adequate.

Six wells will be directionally drilled from this location. They are the NBU 1022-12E1BS, NBU 1022-12E1CS, NBU 1022-12E4BS, NBU 1022-12F1BS, NBU 1022-12F1CS and the NBU 1022-12F4BS. The existing location has one well. This well is the NBU 513-12EX, and at this time the decision rather to PA or TA this well has not been made. The location is on a flat topped ridge that runs in a northeast-southwest direction. This ridge breaks off sharply into rugged secondary canyons on the north and west sides. No drainage concerns exist, and no diversions will be needed. The pad as modified should be stable and sufficient for seven wells, and is the best site for a location in the immediate area.

New construction will consist of approx. 50 feet on all sides of the existing pad, and an additional 50 feet on the southwest side for reserve pit and excess cut stockpile.

Both the surface and minerals are owned by SITLA. Jim Davis of SITLA and Ben Williams with DWR were invited by email to the pre-site evaluation. Both were present. Kerr McGee personnel were told to consult with SITLA for reclamation standards including seeding mixes to be used.

> David Hackford 10/12/2011 **Onsite Evaluator** Date / Time

Conditions of Approval / Application for Permit to Drill

Category Condition

RECEIVED: December 29, 2011

Application for Permit to Drill Statement of Basis

12/29/2011 Utah Division of Oil, Gas and Mining

Page 2

Pits A synthetic liner with a minimum thickness of 16 mils with a felt subliner shall be properly installed and maintained in the

reserve pit.

Pits The reserve pit should be located on the west side of the location.

RECEIVED: December 29, 2011

WORKSHEET APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 9/12/2011 API NO. ASSIGNED: 43047519970000

WELL NAME: NBU 1022-12F1CS

OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P. (N2995) **PHONE NUMBER:** 720 929-6086

CONTACT: Gina Becker

PROPOSED LOCATION: SENW 12 100S 220E **Permit Tech Review:**

> **SURFACE: 1830 FNL 2162 FWL Engineering Review:**

> **BOTTOM:** 1739 FNL 2138 FWL Geology Review:

COUNTY: UINTAH

LATITUDE: 39.96568 LONGITUDE: -109.39011

UTM SURF EASTINGS: 637492.00 NORTHINGS: 4425189.00

FIELD NAME: NATURAL BUTTES LEASE TYPE: 3 - State

LEASE NUMBER: UT ST UO 01997-A ST PROPOSED PRODUCING FORMATION(S): WASATCH-MESA VERDE

SURFACE OWNER: 3 - State **COALBED METHANE: NO**

RECEIVED AND/OR REVIEWED: LOCATION AND SITING:

✓ PLAT R649-2-3.

Unit: NATURAL BUTTES Bond: STATE/FEE - 22013542

Potash R649-3-2. General

Oil Shale 190-5

Oil Shale 190-3 R649-3-3. Exception

Drilling Unit Oil Shale 190-13

Board Cause No: Cause 173-14 Water Permit: 43-8496

Effective Date: 12/2/1999 **RDCC Review:**

Siting: Suspends General Siting **Fee Surface Agreement**

✓ Intent to Commingle ✓ R649-3-11. Directional Drill

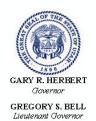
Commingling Approved

Comments: Presite Completed

Stipulations:

3 - Commingling - ddoucet 5 - Statement of Basis - bhill 15 - Directional - dmason 17 - Oil Shale 190-5(b) - dmason 25 - Surface Casing - hmacdonald

API Well No: 43047519970000



State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

Permit To Drill

Well Name: NBU 1022-12F1CS **API Well Number:** 43047519970000

Lease Number: UT ST UO 01997-A ST

Surface Owner: STATE **Approval Date:** 12/29/2011

Issued to:

KERR-MCGEE OIL & GAS ONSHORE, L.P., P.O. Box 173779, Denver, CO 80217

Authority:

Pursuant to Utah Code Ann. §40-6-1 et seq., and Utah Administrative Code R649-3-1 et seq., the Utah Division of Oil, Gas and Mining issues conditions of approval, and permit to drill the listed well. This permit is issued in accordance with the requirements of Cause 173-14. The expected producing formation or pool is the WASATCH-MESA VERDE Formation(s), completion into any other zones will require filing a Sundry Notice (Form 9). Completion and commingling of more than one pool will require approval in accordance with R649-3-22.

Duration:

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date

Commingle:

In accordance with Board Cause No. 173-14, commingling of the production from the Wasatch formation and the Mesaverde formation in this well is allowed.

General:

Compliance with the requirements of Utah Admin. R. 649-1 et seq., the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

Conditions of Approval:

In accordance with Utah Admin. R.649-3-11, Directional Drilling, the operator shall submit a complete angular deviation and directional survey report to the Division within 30 days following completion of the well.

In accordance with the Order in Cause No. 190-5(b) dated October 28, 1982, the operator shall comply with the requirements of Rules R649-3-31 and R649-3-27 pertaining to Designated Oil Shale Areas. Additionally, the operators shall ensure that the surface and or production casing is properly cemented over the entire oil shale section as defined by Rule R649-3-31. The Operator shall report the actual depth the oil shale is encountered to the division.

Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis (copy attached).

Surface casing shall be cemented to the surface.

API Well No: 43047519970000

Additional Approvals:

The operator is required to obtain approval from the Division of Oil, Gas and mining before performing any of the following actions during the drilling of this well:

- Any changes to the approved drilling plan contact Dustin Doucet
- Significant plug back of the well contact Dustin Doucet
- Plug and abandonment of the well contact Dustin Doucet

Notification Requirements:

The operator is required to notify the Division of Oil, Gas and Mining of the following actions during drilling of this well:

- Within 24 hours following the spudding of the well contact Carol Daniels OR
- submit an electronic sundry notice (pre-registration required) via the Utah Oil & Gas website at http://oilgas.ogm.utah.gov
- 24 hours prior to testing blowout prevention equipment contact Dan Jarvis
- 24 hours prior to cementing or testing casing contact Dan Jarvis
- Within 24 hours of making any emergency changes to the approved drilling program contact Dustin Doucet
- 24 hours prior to commencing operations to plug and abandon the well contact Dan Jarvis

Contact Information:

The following are Division of Oil, Gas and Mining contacts and their telephone numbers (please leave a voicemail message if the person is not available to take the call):

- Carol Daniels 801-538-5284 office
- Dustin Doucet 801-538-5281 office

801-733-0983 - after office hours

• Dan Jarvis 801-538-5338 - office

801-231-8956 - after office hours

Reporting Requirements:

All reports, forms and submittals as required by the Utah Oil and Gas Conservation General Rules will be promptly filed with the Division of Oil, Gas and Mining, including but not limited to:

- Entity Action Form (Form 6) due within 5 days of spudding the well
- Monthly Status Report (Form 9) due by 5th day of the following calendar month
- Requests to Change Plans (Form 9) due prior to implementation
- Written Notice of Emergency Changes (Form 9) due within 5 days
- Notice of Operations Suspension or Resumption (Form 9) due prior to implementation
- Report of Water Encountered (Form 7) due within 30 days after completion
- Well Completion Report (Form 8) due within 30 days after completion or plugging

Approved By:

For John Rogers Associate Director, Oil & Gas

	STATE OF UTAH		FORM 9
ι	DEPARTMENT OF NATURAL RESOURC DIVISION OF OIL, GAS, AND MIN		5.LEASE DESIGNATION AND SERIAL NUMBER: UT ST UO 01997-
SUNDR	Y NOTICES AND REPORTS	ON WELLS	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
	posals to drill new wells, significantly reenter plugged wells, or to drill horizon for such proposals.		7.UNIT or CA AGREEMENT NAME: NATURAL BUTTES
1. TYPE OF WELL Gas Well			8. WELL NAME and NUMBER: NBU 1022-12F1CS
2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ON	ISHORE, L.P.		9. API NUMBER: 43047519970000
3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th	n Street, Suite 600, Denver, CO, 80217	PHONE NUMBER: 7 3779 720 929-0	9. FIELD and POOL or WILDCAT: 5NATERAL BUTTES
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1830 FNL 2162 FWL			COUNTY: UINTAH
QTR/QTR, SECTION, TOWNSH Qtr/Qtr: SENW Section: 1	IIP, RANGE, MERIDIAN: 2 Township: 10.0S Range: 22.0E Meric	lian: S	STATE: UTAH
11. CHECH	K APPROPRIATE BOXES TO INDICAT	TE NATURE OF NOTICE, REPOR	RT, OR OTHER DATA
TYPE OF SUBMISSION		TYPE OF ACTION	
	ACIDIZE	ALTER CASING	CASING REPAIR
NOTICE OF INTENT Approximate date work will start:	CHANGE TO PREVIOUS PLANS	CHANGE TUBING	CHANGE WELL NAME
	CHANGE WELL STATUS	COMMINGLE PRODUCING FORMATIONS	CONVERT WELL TYPE
SUBSEQUENT REPORT Date of Work Completion:	DEEPEN	FRACTURE TREAT	NEW CONSTRUCTION
	OPERATOR CHANGE	PLUG AND ABANDON	PLUG BACK
✓ SPUD REPORT	PRODUCTION START OR RESUME	RECLAMATION OF WELL SITE	RECOMPLETE DIFFERENT FORMATION
Date of Spud: 4/23/2012	REPERFORATE CURRENT FORMATION	SIDETRACK TO REPAIR WELL	TEMPORARY ABANDON
_	TUBING REPAIR	VENT OR FLARE	WATER DISPOSAL
DRILLING REPORT Report Date:	WATER SHUTOFF	SI TA STATUS EXTENSION	APD EXTENSION
	WILDCAT WELL DETERMINATION	OTHER	OTHER:
MIRU TRIPLE A BU RAN 14" 36.7# SCHE	COMPLETED OPERATIONS. Clearly show a CKET RIG. DRILLED 20" CON EDULE 10 CONDUCTOR PIPE LL LOCATION ON APRIL 23, 2	DUCTOR HOLE TO 40'. CMT W/ 28 SX READY	Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY April 27, 2012
NAME (PLEASE PRINT) Gina Becker	PHONE NUMB 720 929-6086	ER TITLE Regulatory Analyst II	
SIGNATURE	123 323 0000	DATE	
N/A		4/25/2012	

FORM 9

STATE OF UTAH

SUNDRY Do not use this form for proposals to drill new	erals. Use APPLICATION FOR PERMIT TO	ND MINING ORTS ON WEL below current bottom-hole dep	th, reenter plugged wells, or to	6. LEASE DESIGNATION AND SERIAL NUMBER: UT ST UO 01197-A ST 6. IF INDIAN, ALLOTTEE OR TRIBE NAME: 7. UNIT OF CA AGREEMENT NAME: UTU63047A 8. WELL NAME and NUMBER: Multiple Well Locations 9. API NUMBER:
3. ADDRESS OF OPERATOR: P.O. Box 173779	Denver C	O 80217	PHONE NUMBER: (720) 929-6086	10. FIELD AND POOL, OR WILDCAT Natural Buttes
4. LOCATION OF WELL	s Locations in T10S-R22E,			COUNTY: Uintah STATE: UTAH
11. CHECK APPR	OPRIATE BOXES TO INI	DICATE NATURE	OF NOTICE, REPOI	RT, OR OTHER DATA
TYPE OF SUBMISSION		T	YPE OF ACTION	
NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: 4/23/2012 SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion:	ACIDIZE ALTER CASING CASING REPAIR CHANGE TO PREVIOUS PLANS CHANGE TUBING CHANGE WELL NAME CHANGE WELL STATUS COMMINGLE PRODUCING FORM CONVERT WELL TYPE	MATIONS RECLAMAT	TRUCTION CHANGE ABANDON	REPERFORATE CURRENT FORMATION SIDETRACK TO REPAIR WELL TEMPORARILY ABANDON TUBING REPAIR VENT OR FLARE WATER DISPOSAL WATER SHUT-OFF OTHER: Lease Number Correction
			•	r to UT ST UO 01197-A ST for
NAME (PLEASE PRINT) Gina T Be	cker Sain	TITI DAT	4/23/2012	y Analyst

(This space for State use only)

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	ADI LIMI MA	NA/ELL NIAN/IC			TOWNSHIP			COVIERCE NO	FEDERAL
<u> </u>	API UWI NO							GOV LEASE NO	LEASE NO
			UT	12	10	22			UTU63047A
			UT	12	10	22			UTU63047A
			UT	12	10	22		UT ST UO 01197-A ST	UTU63047A
		NBU 1022-12A4CS	UT	12	10	22	UINTAH	UT ST UO 01197-A ST	UTU63047A
		NBU 1022-12B1BS	UT	12	10	22	UINTAH	UT ST UO 01197-A ST	UTU63047A
		NBU 1022-12B1CS	UT	12	10	22	UINTAH	UT ST UO 01197-A ST	UTU63047A
		NBU 1022-12B4BS	UT	12	10	22	UINTAH	UT ST UO 01197-A ST	UTU63047A
		NBU 1022-12B4CS	UT	12	10	22	UINTAH		UTU63047A
		NBU 1022-12C1BS	UT	12	10	22	UINTAH	UT ST UO 01197-A ST	UTU63047A
10	4304751981	NBU 1022-12C1CS	UT	12	10	22	UINTAH	UT ST UO 01197-A ST	UTU63047A
11	4304751984	NBU 1022-12C4BS	UT	12	10	22	UINTAH	UT ST UO 01197-A ST	UTU63047A
12	4304751985	NBU 1022-12C4CS	UT	12	10	22	UINTAH	UT ST UO 01197-A ST	UTU63047A
13	4304751989	NBU 1022-12D1BS	UT	12	10	22	UINTAH	UT ST UO 01197-A ST	UTU63047A
14	4304751987	NBU 1022-12D1CS	UT	12	10	22	UINTAH	UT ST UO 01197-A ST	UTU63047A
15	4304751990	NBU 1022-12D4BS	UT	12	10	22	UINTAH	UT ST UO 01197-A ST	UTU63047A
16	4304751992	NBU 1022-12D4CS	UT	12	10	22	UINTAH	UT ST UO 01197-A ST	UTU63047A
17	4304751988	NBU 1022-12E1BS	UT	12	10	22	UINTAH	UT ST UO 01197-A ST	UTU63047A
18	4304751993	NBU 1022-12E1CS	UT	12	10	22	UINTAH	UT ST UO 01197-A ST	UTU63047A
19	4304751994	NBU 1022-12E4BS	UT	12	10	22	UINTAH	UT ST UO 01197-A ST	UTU63047A
20	4304751996	NBU 1022-12F1BS	UT	12	10	22	UINTAH	UT ST UO 01197-A ST	UTU63047A
21	4304751997	NBU 1022-12F1CS	UT	12	10	22	UINTAH	UT ST UO 01197-A ST	UTU63047A
22	4304751995	NBU 1022-12F4BS	UT	12	10	22	UINTAH	UT ST UO 01197-A ST	UTU63047A
23	4304751967	NBU 1022-12E4CS	UT	12	10	22	UINTAH	UT ST UO 01197-A ST	UTU63047A
24	4304751964	NBU 1022-12F4CS	UT	12	10	22	UINTAH	UT ST UO 01197-A ST	UTU63047A
25	4304751965	NBU 1022-12K1BS	UT	12	10	22	UINTAH	UT ST UO 01197-A ST	UTU63047A
26	4304751966	NBU 1022-12K1CS	UT	12	10	22	UINTAH	UT ST UO 01197-A ST	UTU63047A
27	4304751970	NBU 1022-12K4BS	UT	12	10	22	UINTAH	UT ST UO 01197-A ST	UTU63047A
28	4304751971	NBU 1022-12K4CS	UT	12	10	22	UINTAH	UT ST UO 01197-A ST	UTU63047A
29	4304751974	NBU 1022-12G1BS	UT	12	10	22	UINTAH	UT ST UO 01197-A ST	UTU63047A
30	4304751963	NBU 1022-12G1CS	UT	12	10	22	UINTAH	UT ST UO 01197-A ST	UTU63047A
31	4304751972	NBU 1022-12G4BS	UT	12	10	22	UINTAH	UT ST UO 01197-A ST	UTU63047A
32	4304751977	NBU 1022-12G4CS	UT	12	10	22	UINTAH	UT ST UO 01197-A ST	UTU63047A
33	4304751973	NBU 1022-12H1BS	UT	12	10	22	UINTAH	UT ST UO 01197-A ST	UTU63047A
		NBU 1022-12H1CS		12	10	22	UINTAH		UTU63047A
		NBU 1022-12H4BS		12	10	22	UINTAH		UTU63047A
		NBU 1022-12H4CS	UT	12	10	22	UINTAH		UTU63047A
		NBU 1022-1211BS	UT	12	10	22	UINTAH	UT ST UO 01197-A ST	UTU63047A
		NBU 1022-12I1CS	UT	12	10	22	UINTAH	UT ST UO 01197-A ST	UTU63047A
		NBU 1022-12I4BS	UT	12	10	22	UINTAH	UT ST UO 01197-A ST	UTU63047A
		NBU 1022-12J1BS	UT	12	10	22	UINTAH		UTU63047A
		NBU 1022-12J1CS	UT	12	10	22	UINTAH		UTU63047A
		NBU 1022-12J4BS	UT	12	10	22	UINTAH	UT ST UO 01197-A ST	UTU63047A
		NBU 1022-12J4CS	UT	12	10	22	UINTAH	UT ST UO 01197-A ST	UTU63047A
		NBU 1022-12N1BS	UT	12	10	22	UINTAH	UT ST UO 01197-A ST	UTU63047A
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		NBU 1022-12I4CS	UT	12	10	22	UINTAH	UT ST UO 01197-A ST	UTU63047A
		NBU 1022-12P1BS	UT	12	10	22	UINTAH	UT ST UO 01197-A ST	UTU63047A
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			SL	SL	SL	SL	COUNTY		FEDERAL
	API UWI NO	WELL NAME	STATE	SECTION	TOWNSHIP	RANGE	NAME	GOV LEASE NO	LEASE NO
50	4304751969	NBU 1022-12P4BS	UT	12	10	22	UINTAH	UT ST UO 01197-A ST	UTU63047A
51	4304751947	NBU 1022-12P4CS	UT	12	10	22	UINTAH	UT ST UO 01197-A ST	UTU63047A
52	4304751949	NBU 1022-1201BS	UT	12	10	22	UINTAH	UT ST UO 01197-A ST	UTU63047A
53	4304751950	NBU 1022-1201CS	UT	12	10	22	UINTAH	UT ST UO 01197-A ST	UTU63047A
54	4304751953	NBU 1022-1204BS	UT	12	10	22	UINTAH	UT ST UO 01197-A ST	UTU63047A
55	4304751954	NBU 1022-1204CS	UT	12	10	22	UINTAH	UT ST UO 01197-A ST	UTU63047A

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING

ENTITY ACTION FORM

Operator:

KERR McGEE OIL & GAS ONSHORE LP

Operator Account Number: N 2995

Address:

P.O. Box 173779

city DENVER

state CO zip 80217

Phone Number: <u>(720)</u> 929-6086

Well 1

API Number	Well	Well Name QQ Sec Twp		Rng County				
4304751997	NBU 1022-1	NBU 1022-12F1CS			108	22E	UINTAH	
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date		
B	99999	2900	4/23/2012		41	30 12012		

MIRU PETE MARTIN BUCKET RIG.

SPUD WELL LOCATION ON 04/23/2012 AT 17:00 HRS.

SPUD WELL LOCATION ON 04/23/2012 AT 20:00 HRS.

WEMVE SPAUL

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County	
4304751993	NBU 1022-1	NBU 1022-12E1CS		SENW 12 10S		22E UINTAH		
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date			
R	99999	2900	4	/23/201	2	41	30 12017	

Well 3

API Number	Weil	QQ	Sec	Twp	Rng	County	
4304751988	NBU 1022-	-12E1BS	SENW	12	108	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
B	99999	2900	4/23/2012		4/23/2012 4/30		13012012

Comments

MIRU PETE MARTIN BUCKET RIG.

Wemud

SPUD WELL LOCATION ON 04/23/2012 AT 23:00 HRS.

ACTION CODES:

- A Establish new entity for new well (single well only)
- B Add new well to existing entity (group or unit well)
- **C** Re-assign well from one existing entity to another existing entity
- D Re-assign well from one existing entity to a percential VED
- E Other (Explain in 'comments' section)

APR 2 5 2012

GINA BECKER

Name (Please Print)

Signature

REGULATORY ANALYST

4/25/2012

Date

	STATE OF UTAH		FORM 9
ı	DEPARTMENT OF NATURAL RESOURCE DIVISION OF OIL, GAS, AND MIN		5.LEASE DESIGNATION AND SERIAL NUMBER: UT ST UO 01197-
SUNDR	Y NOTICES AND REPORTS	ON WELLS	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
Do not use this form for pro current bottom-hole depth, I FOR PERMIT TO DRILL form	7.UNIT or CA AGREEMENT NAME: NATURAL BUTTES		
1. TYPE OF WELL Gas Well			8. WELL NAME and NUMBER: NBU 1022-12F1CS
2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ON	ISHORE, L.P.		9. API NUMBER: 43047519970000
3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th	n Street, Suite 600, Denver, CO, 80217	PHONE NUMBER: 73779 720 929-6	9. FIELD and POOL or WILDCAT: 5NATERAL BUTTES
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1830 FNL 2162 FWL			COUNTY: UINTAH
QTR/QTR, SECTION, TOWNSH	HIP, RANGE, MERIDIAN: I 2 Township: 10.0S Range: 22.0E Merio	dian: S	STATE: UTAH
11. CHECI	K APPROPRIATE BOXES TO INDICA	TE NATURE OF NOTICE, REPOR	RT, OR OTHER DATA
TYPE OF SUBMISSION		TYPE OF ACTION	
	ACIDIZE	ALTER CASING	CASING REPAIR
NOTICE OF INTENT Approximate date work will start:	CHANGE TO PREVIOUS PLANS	CHANGE TUBING	CHANGE WELL NAME
	CHANGE WELL STATUS	COMMINGLE PRODUCING FORMATIONS	CONVERT WELL TYPE
SUBSEQUENT REPORT Date of Work Completion:	DEEPEN	FRACTURE TREAT	NEW CONSTRUCTION
	OPERATOR CHANGE	PLUG AND ABANDON	PLUG BACK
SPUD REPORT	PRODUCTION START OR RESUME	RECLAMATION OF WELL SITE	RECOMPLETE DIFFERENT FORMATION
Date of Spud:	REPERFORATE CURRENT FORMATION	SIDETRACK TO REPAIR WELL	TEMPORARY ABANDON
	TUBING REPAIR	VENT OR FLARE	WATER DISPOSAL
✓ DRILLING REPORT Report Date:	WATER SHUTOFF	SI TA STATUS EXTENSION	APD EXTENSION
4/29/2012	WILDCAT WELL DETERMINATION	OTHER	OTHER:
MIRU AIR RIG ON A SURFACE CASING	COMPLETED OPERATIONS. Clearly show 4/28/2012. DRILLED SURFAC AND CEMENTED. WELL IS WANT JOB WILL BE INCLUDED WIREPORT.	E HOLE TO 2344'. RAN AITING ON ROTARY RIG.	
NAME (PLEASE PRINT) Gina Becker	PHONE NUMB 720 929-6086	ER TITLE Regulatory Analyst II	
SIGNATURE		DATE	
N/A		4/30/2012	

	STATE OF UTAH		FORM 9
	DEPARTMENT OF NATURAL RESOURCE DIVISION OF OIL, GAS, AND MIN	=	5.LEASE DESIGNATION AND SERIAL NUMBER: UT ST UO 01197-
SUNDR	RY NOTICES AND REPORTS	ON WELLS	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
Do not use this form for pro current bottom-hole depth, FOR PERMIT TO DRILL form	7.UNIT or CA AGREEMENT NAME: NATURAL BUTTES		
1. TYPE OF WELL Gas Well		8. WELL NAME and NUMBER: NBU 1022-12F1CS	
2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ON	NSHORE, L.P.		9. API NUMBER: 43047519970000
3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18tl	h Street, Suite 600, Denver, CO, 80217	PHONE NUMBER: 73779 720 929-0	9. FIELD and POOL or WILDCAT: 5NATERAL BUTTES
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1830 FNL 2162 FWL			COUNTY: UINTAH
QTR/QTR, SECTION, TOWNSH Qtr/Qtr: SENW Section:	HIP, RANGE, MERIDIAN: 12 Township: 10.0S Range: 22.0E Meric	dian: S	STATE: UTAH
11. CHEC	K APPROPRIATE BOXES TO INDICA	TE NATURE OF NOTICE, REPOR	RT, OR OTHER DATA
TYPE OF SUBMISSION		TYPE OF ACTION	
	ACIDIZE	ALTER CASING	CASING REPAIR
NOTICE OF INTENT Approximate date work will start:	✓ CHANGE TO PREVIOUS PLANS	CHANGE TUBING	CHANGE WELL NAME
5/1/2012	CHANGE WELL STATUS	COMMINGLE PRODUCING FORMATIONS	CONVERT WELL TYPE
SUBSEQUENT REPORT	DEEPEN	FRACTURE TREAT	NEW CONSTRUCTION
Date of Work Completion:	OPERATOR CHANGE	PLUG AND ABANDON	PLUG BACK
	PRODUCTION START OR RESUME	RECLAMATION OF WELL SITE	RECOMPLETE DIFFERENT FORMATION
SPUD REPORT Date of Spud:	REPERFORATE CURRENT FORMATION	SIDETRACK TO REPAIR WELL	TEMPORARY ABANDON
	TUBING REPAIR	VENT OR FLARE	WATER DISPOSAL
☐ DRILLING REPORT	WATER SHUTOFF	SI TA STATUS EXTENSION	APD EXTENSION
Report Date:	WILDCAT WELL DETERMINATION	OTHER	OTHER:
12. DESCRIBE PROPOSED OR	COMPLETED OPERATIONS. Clearly show	all pertinent details including dates.	denths, volumes, etc.
THE OPERATOR R LOOP DRILLING O OTHER ASPECTS O	EQUESTS APPROVAL FOR A I PTION, AND A PRODUCTION OF THE PREVIOUSLY APPROVE	FIT WAIVER, A CLOSED CASING CHANGE. ALL ED DRILLING PLAN WILL	Approved by the Utah Division of Oil, Gas and Mining
NOT CHANGE	E. PLEASE SEE THE ATTACHN	MENT. THANK YOU.	Date: May 24, 2012
			By: Dork Court
NAME (PLEASE PRINT)	PHONE NUMB		
Jaime Scharnowske	720 929-6304	Regulartory Analyst	
SIGNATURE N/A		DATE 5/1/2012	

NBU 1022-12F1CS Drilling Program
1 of 7

Kerr-McGee Oil & Gas Onshore. L.P.

NBU 1022-12F1CS

Surface: 1830 FNL / 2162 FWL SENW BHL: 1739 FNL / 2138 FWL SENW

Section 12 T10S R22E

Uintah County, Utah Mineral Lease: UT ST UO 01197-A ST

ONSHORE ORDER NO. 1

DRILLING PROGRAM

1. & 2. <u>Estimated Tops of Important Geologic Markers</u>: <u>Estimated Depths of Anticipated Water, Oil, Gas, or Mineral Formations</u>:

<u>Formation</u>	<u>Depth</u>	<u>Resource</u>
Uinta	0 - Surface	
Green River	1,073'	
Birds Nest	1,341'	Water
Mahogany	1,708'	Water
Wasatch	4,106'	Gas
Mesaverde	6,272'	Gas
Sego	8,457'	Gas
TVD	8,457'	
TD	8,459'	

3. <u>Pressure Control Equipment</u> (Schematic Attached)

Please refer to the attached Drilling Program

4. Proposed Casing & Cementing Program:

Please refer to the attached Drilling Program

5. <u>Drilling Fluids Program:</u>

Please refer to the attached Drilling Program

Evaluation Program:

Please refer to the attached Drilling Program

NBU 1022-12F1CS Drilling Program 2 of 7

7. **Abnormal Conditions:**

Maximum anticipated bottom hole pressure calculated at 8457' TVD, approximately equals 5,412 psi 0.64 psi/ft = actual bottomhole gradient

Maximum Anticipated Bottom Hole Pressure (MABHP) = Pore Pressure at TD

Maximum anticipated surface pressure equals approximately 3,540 psi (bottom hole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot, per Onshore Order No. 2).

Per Onshore Order No. 2 - Max Anticipated Surf. Press.(MASP) = (Pore Pressure at next csg point-(0.22 psi/ft-partial evac gradient x TVD of next csg point))

8. <u>Anticipated Starting Dates:</u>

Drilling is planned to commence immediately upon approval of this application.

9. <u>Variances:</u>

Please refer to the attached Drilling Program. Onshore Order #2 – Air Drilling Variance

Kerr-McGee Oil & Gas Onshore LP (KMG) respectfully requests a variance to several requirements associated with air drilling outlined in Onshore Order 2

- · Blowout Prevention Equipment (BOPE) requirements;
- Mud program requirements; and
- Special drilling operation (surface equipment placement) requirements associated with air drilling.

This Standard Operating Practices addendum provides supporting information as to why KMG current air drilling practices for constructing the surface casing hole should be granted a variance to Onshore Order 2 air drilling requirements.

The reader should note that the air rig is used only to construct a stable surface casing hole through a historically difficult lost circulation zone. A conventional rotary rig follows the air rig, and is used to drill and construct the majority of the wellbore.

More notable, KMG has used the air rig layout and procedures outlined below to drill the surface casing hole in approximately 675 wells without incident of blow out or loss of life.

Background

In a typical well, KMG utilizes an air rig for drilling the surface casing hole, an interval from the surface to surface casing depths, which varies in depth from 1,700 to 2,800 feet. The air rig drilling operation does not drill through productive or over pressured formations in KMG field, but does penetrate the Uinta and Green River Formations. The purpose of the air drilling operation is to overcome the severe loss circulation zone in the Green River known as the Bird's Nest while creating a stable hole for the surface casing. The surface casing hole is generally drilled to approximately 500 feet below the Bird's Nest.

NBU 1022-12F1CS Drilling Program
3 of 7

Before the surface air rig is mobilized, a rathole rig is utilized to set and cement conductor pipe through a competent surface formation. Generally, the conductor is set at 40 feet. In some cases, conductor may be set deeper in areas that the surface formation is not found competent. This rig also drills the rat and mouse holes in preparation for the surface casing and production string drilling operations.

The air rig is then mobilized to drill the surface casing hole by drilling a 12 1/4 inch hole for the first 200 feet, then will drill a 11inch hole to just above the Bird's Nest interval with an air hammer. The hammer is then tripped and replaced with a 11 inch tri-cone bit. The tri-cone bit is used to drill to the surface casing point, approximately 500 feet below the loss circulation zone (Bird's Nest). The 8-5/8 inch surface casing is then run and cemented in place, thereby isolating the lost circulation zone.

KMG fully appreciates Onshore Order 2 well control and safety requirements associated with a typical air drilling operations. However, the requirements of Onshore Order 2 are excessive with respect to the air rig layout and drilling operation procedures that are currently in practice to drill and control the surface casing hole in KMG Fields.

Variance for BOPE Requirements

The air rig operation utilizes a properly lubricated and maintained air bowl diverter system which diverts the drilling returns to a six-inch blooie line. The air bowl is the only piece of BOPE equipment which is installed during drilling operations and is sufficient to contain the air returns associated with this drilling operation. As was discussed earlier, the drilling of the surface hole does not encounter any over pressured or productive zones, and as a result standard BOPE equipment should not be required. In addition, standard drilling practices do not support the use of BOPE on 40 feet of conductor pipe.

Variance for Mud Material Requirements

Onshore Order 2 also states that sufficient quantities of mud materials shall be maintained or readily accessible for the purpose of assuring adequate well control. Once again, the surface hole drilling operations does not encounter over pressured or productive intervals, and as a result there is not a need to control pressure in the surface hole with a mud system. Instead of mud, the air rigs utilize water from the reserve pit for well control, if necessary. A skid pump which is located near the reserve pit (see attachment) will supply the water to the well bore.

Variance for Special Drilling Operation (surface equipment placement) Requirements

Onshore Order 2 requires specific safety distances or setbacks for the placement of associated standard air drilling equipment, wellbore, and reserve pits. The air rigs used to drill the surface holes are not typical of an air rig used to drill a producing hole in other parts of the US. These are smaller in nature and designed to fit a KMG location. The typical air rig layout for drilling surface hole in the field is attached.

Typically the blooie line discharge point is required to be 100 feet from the well bore. In the case of a KMG well, the reserve pit is only 45 feet from the rig and is used for the drill cuttings. The blooie line, which transports the drill cuttings from the well to the reserve pit, subsequently discharges only 45 feet from the well bore.

Typically the air rig compressors are required to be located in the opposite direction from the blooie line and a minimum of 100 feet from the well bore. At the KMG locations, the air rig compressors are approximately 40 feet from the well bore and approximately 60 feet from the blooie line discharge due to the unique air rig design. The air compressors (see attachment) are located on the rig (1250 cfm) and

NBU 1022-12F1CS Drilling Program
4 of 7

on a standby trailer (1170 cfm). A booster sits between the two compressors and boosts the output from 350 psi to 2000 psi. The design does put the booster and standby compressor opposite from the blooie line.

Lastly, Onshore Order 2 addresses the need for an automatic igniter or continuous pilot light on the blooie line. The air rig does not utilize an igniter as the surface hole drilling operation does not encounter productive formations.

Variance for FIT Requirements

KMG also respectfully requests a variance to Onshore Order 2, Section III, Part Bi, for the pressure integrity test (PIT, also known as a formation integrity test (FIT)). This well is not an exploratory well and is being drilled in an area where the formation integrity is well known. Additionally, when an FIT is run with the mud weight as required, the casing shoe frequently breaks down and causes subsequent lost circulation when drilling the entire depth of the well.

Conclusion

The air rig operating procedures and the attached air rig layout have effectively maintained well control while drilling the surface holes in KMG Fields. KMG respectfully requests a variance from Onshore Order 2 with respect to air drilling well control requirements as discussed above.

10. Other Information:

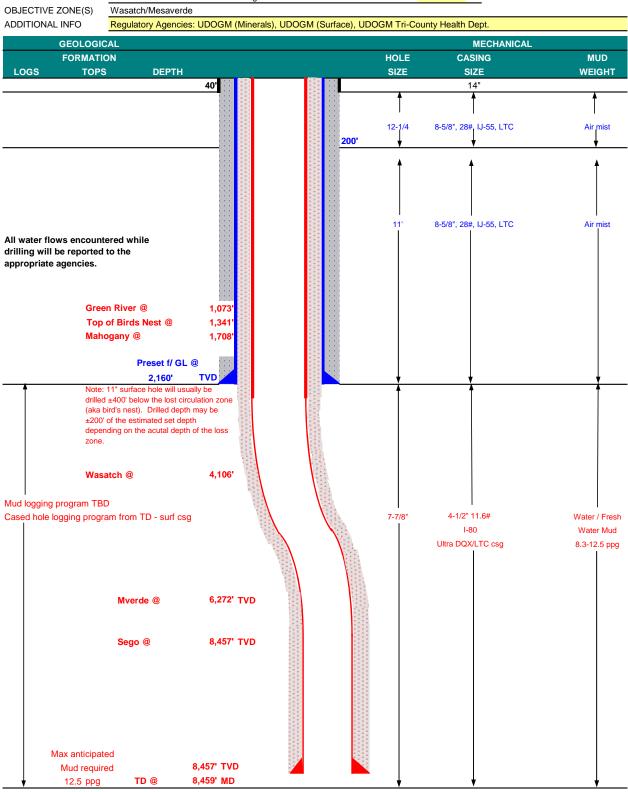
Please refer to the attached Drilling Program.

NBU 1022-12F1CS Drilling Program 5 of 7



KERR-McGEE OIL & GAS ONSHORE LP DRILLING PROGRAM

COMPANY NAME KERR-McGEE OIL & GAS ONSHORE LP May 1, 2012 NBU 1022-12F1CS WELL NAME 8,457' TVD 8,459' MD **FIELD** Natural Buttes COUNTY Uintah STATE Utah FINISHED ELEVATION 5164 SURFACE LOCATION SENW 1830 FNL 2162 FWL Sec 12 T 10S Latitude: 39.965709 -109.389336 NAD 27 Longitude: BTM HOLE LOCATION SENW 1739 FNL 2138 FWL Sec 12 T 10S R 22E Latitude: 39.965958 Longitude: -109.38942 NAD 27 Wasatch/Mesaverde



Drilling Program NBU 1022-12F1CS 6 of 7



KERR-McGEE OIL & GAS ONSHORE LP

DRILLING PROGRAM

CASING PROGRAM						DESIGN FACTORS					
									LTC	DQX	
	SIZE	INTE	ERVAL	_	WT.	GR.	CPLG.	BURST	COLL	APSE	TENSION
CONDUCTOR	14"	0	-40'								
								3,390	1,880	348,000	N/A
SURFACE	8-5/8"	0	to	2,160	28.00	IJ-55	LTC	2.50	1.86	6.57	N/A
								7,780	6,350	223,000	267,035
PRODUCTION	4-1/2"	0	to	5,000	11.60	I-80	DQX	1.11	1.16		3.36
								7,780	6,350	223,000	267,035
	4-1/2"	5,000	to	8,459'	11.60	I-80	LTC	1.11	1.16	6.87	

Surface Casing:

(Burst Assumptions: TD =

12.5

0.73 psi/ft = frac gradient @ surface shoe

Fracture at surface shoe with 0.1 psi/ft gas gradient above

(Collapse Assumption: Fully Evacuated Casing, Max MW)

(Tension Assumptions: Air Weight of Casing*Buoy.Fact. of water)

Production casing:

(Burst Assumptions: Pressure test with 8.4ppg @

7000 psi)

0.64 psi/ft = bottomhole gradient

(Collapse Assumption: Fully Evacuated Casing, Max MW)

(Tension Assumptions: Air Weight of Casing*Buoy.Fact. of water)

CEMENT PROGRAM

	FT. OF FILL	DESCRIPTION	SACKS	EXCESS	WEIGH	Т	YIELD
SURFACE LEAD	500'	Premium cmt + 2% CaCl	180	60%	15.80		1.15
Option 1		+ 0.25 pps flocele					
TOP OUT CMT (6 jobs)	1,200'	20 gals sodium silicate + Premium cmt	270	0%	15.80		1.15
		+ 2% CaCl + 0.25 pps flocele					
SURFACE		NOTE: If well will circulate water to	surface,	option 2 wi	II be utilized	_	
Option 2 LEAD	1,660'	65/35 Poz + 6% Gel + 10 pps gilsonite	150	35%	11.00		3.82
		+ 0.25 pps Flocele + 3% salt BWOW					
TAIL	500'	Premium cmt + 2% CaCl	150	35%	15.80		1.15
		+ 0.25 pps flocele					
TOP OUT CMT	as required	Premium cmt + 2% CaCl	as req.		15.80		1.15
PRODUCTION LEAD	3,599'	Premium Lite II +0.25 pps	280	35%	12.00		3.38
		celloflake + 5 pps gilsonite + 10% gel					
		+ 0.5% extender					
TAIL	4,860'	50/50 Poz/G + 10% salt + 2% gel	1,150	35%	14.30		1.31
		+ 0.1% R-3					

^{*}Substitute caliper hole volume plus 0% excess for LEAD if accurate caliper is obtained

FLOAT EQUIPMENT & CENTRALIZERS

SURFACE

Guide shoe, 1 jt, insert float. Centralize first 3 joints with bow spring centralizers. Thread lock guide shoe

PRODUCTION

Float shoe, 1 jt, float collar. 15 centralizers for a Mesaverde and 20 for a Blackhawk well.

centralizer on the first 3 joints and one every third joint thereafter.

ADDITIONAL INFORMATION

Test casing head to 750 psi after installing. Test surface casing to 1,500 psi prior to drilling out.

BOPE: 11" 5M with one annular and 2 rams. The BOPE will be installed before the production hole is drilled and tested to 5,000 psi (annular to 2,500 psi) prior to drilling out the surface casing shoe. Record on chart recorder and tour sheet. Function test rams on each trip. Maintain safety valve and inside BOP on rig floor at all times. Most rigs have top drives; however, if used, the Kelly is to be equipped with upper

Surveys will be taken at 1,000' minimum intervals.

Most rigs have PVT System for mud monitoring. If no PVT is available, visual monitoring will be utilized.

DRILLING ENGINEER:

Nick Spence / Danny Showers / Chad Loesel

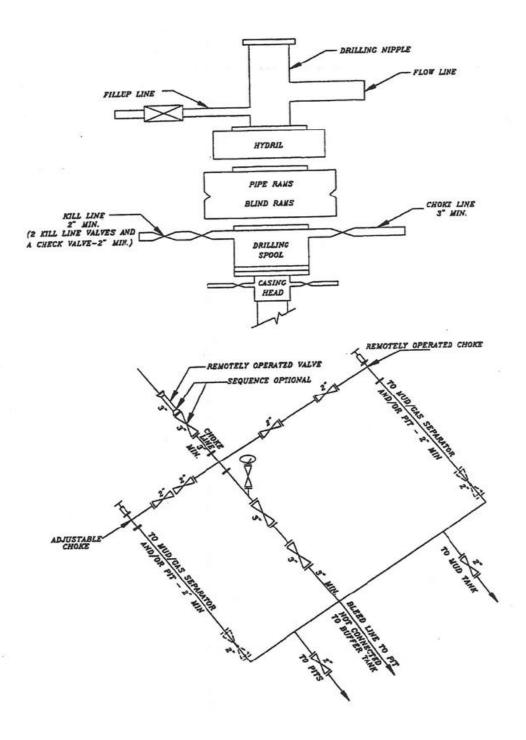
DRILLING SUPERINTENDENT:

Kenny Gathings / Lovel Young

RECEIVED: May. 01, 2012

^{*}Substitute caliper hole volume plus 10% excess for TAIL if accurate caliper is obtained

EXHIBIT A
NBU 1022-12F1CS



SCHEMATIC DIAGRAM OF 5,000 PSI BOP STACK

Requested Drilling Options:

Kerr-McGee will use either a closed loop drilling system that will require one pit and one cuttings storage area to be constructed on the drilling pad or a traditional drilling operation with one pit used for drilling and completion operations. The cuttings storage area will be used to contain only the de-watered drill cuttings and will be lined and bermed to prevent any liquid runoff. The drill cuttings will be buried in the completion pit once completion operations are completed according to traditional pit closure standards. The pit will be constructed to allow for completion operations. The completion operations pit will be lined with a synthetic material 20 mil or thicker and will be used for the completing of the wells on the pad or used as part of our Aandarko Completions Transportation System (ACTS). Using the closed loop drilling system will allow Kerr-McGee to decrease the amount of disturbance/footprint on location compared to a single large drilling/completions pit.

If Kerr-McGee does not use a closed loop drilling system, it will construct a traditional drilling/completions pit to contain drill cuttings and for use in completion operations. The pit will be lined with a synthetic material 20 mil or thicker. The drill cuttings will be buried in the pit using traditional pit closure standards.

	STATE OF UTAH		FORM 9
ı	DEPARTMENT OF NATURAL RESOURCE DIVISION OF OIL, GAS, AND MIN	-	5.LEASE DESIGNATION AND SERIAL NUMBER: UT ST UO 01197-
SUNDR	RY NOTICES AND REPORTS	ON WELLS	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
Do not use this form for pro current bottom-hole depth, I FOR PERMIT TO DRILL form	7.UNIT or CA AGREEMENT NAME: NATURAL BUTTES		
1. TYPE OF WELL Gas Well			8. WELL NAME and NUMBER: NBU 1022-12F1CS
2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ON	ISHORE, L.P.		9. API NUMBER: 43047519970000
3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th	h Street, Suite 600, Denver, CO, 80217	PHONE NUMBER: 3779 720 929-0	9. FIELD and POOL or WILDCAT: 5NATERAL BUTTES
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1830 FNL 2162 FWL			COUNTY: UINTAH
QTR/QTR, SECTION, TOWNSH	HIP, RANGE, MERIDIAN: 12 Township: 10.0S Range: 22.0E Merid	ian: S	STATE: UTAH
11. CHECI	K APPROPRIATE BOXES TO INDICAT	E NATURE OF NOTICE, REPOR	RT, OR OTHER DATA
TYPE OF SUBMISSION		TYPE OF ACTION	
	ACIDIZE	ALTER CASING	CASING REPAIR
NOTICE OF INTENT Approximate date work will start:	CHANGE TO PREVIOUS PLANS	CHANGE TUBING	CHANGE WELL NAME
	CHANGE WELL STATUS	COMMINGLE PRODUCING FORMATIONS	CONVERT WELL TYPE
SUBSEQUENT REPORT Date of Work Completion:	DEEPEN	FRACTURE TREAT	NEW CONSTRUCTION
	OPERATOR CHANGE	PLUG AND ABANDON	PLUG BACK
SPUD REPORT	PRODUCTION START OR RESUME	RECLAMATION OF WELL SITE	RECOMPLETE DIFFERENT FORMATION
Date of Spud:	REPERFORATE CURRENT FORMATION	SIDETRACK TO REPAIR WELL	TEMPORARY ABANDON
	TUBING REPAIR	VENT OR FLARE	WATER DISPOSAL
DRILLING REPORT Report Date:	WATER SHUTOFF	SI TA STATUS EXTENSION	APD EXTENSION
6/15/2012	WILDCAT WELL DETERMINATION	OTHER	OTHER:
MIRU ROTARY R	COMPLETED OPERATIONS. Clearly show a LIG. FINISHED DRILLING FRO /2" 11.6# I-80 PRODUCTION	M 2344' TO 8485' ON	Accepted by the Utah Division of
	ING. RELEASED H&P 298 RIC	_	Oil, Gas and Mining
	CEMENT JOB WILL BE INCLU		FOR RECORD ONLY
COMPLETION RE	EPORT. WELL IS WAITING ON ACTIVITIES.	FINAL COMPLETION	June 20, 2012
NAME (PLEASE PRINT)	PHONE NUMBI	ER TITLE	
Cara Mahler	720 929-6029	Regulatory Analyst I	
SIGNATURE N/A		DATE 6/18/2012	

	FORM 9		
ı	DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	3	5.LEASE DESIGNATION AND SERIAL NUMBER: UT ST UO 01197-
SUNDR	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:		
Do not use this form for pro current bottom-hole depth, I FOR PERMIT TO DRILL form	7.UNIT or CA AGREEMENT NAME: NATURAL BUTTES		
1. TYPE OF WELL Gas Well	8. WELL NAME and NUMBER: NBU 1022-12F1CS		
2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ON	ISHORE, L.P.		9. API NUMBER: 43047519970000
3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th	PHC n Street, Suite 600, Denver, CO, 80217 377	ONE NUMBER: 79 720 929-6	9. FIELD and POOL or WILDCAT: 5NIATUERAL BUTTES
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1830 FNL 2162 FWL			COUNTY: UINTAH
QTR/QTR, SECTION, TOWNSH Qtr/Qtr: SENW Section: 1	IIP, RANGE, MERIDIAN: 2 Township: 10.0S Range: 22.0E Meridian:	S	STATE: UTAH
11. CHECI	K APPROPRIATE BOXES TO INDICATE N	ATURE OF NOTICE, REPOR	T, OR OTHER DATA
TYPE OF SUBMISSION		TYPE OF ACTION	
	ACIDIZE	ALTER CASING	CASING REPAIR
NOTICE OF INTENT Approximate date work will start:		CHANGE TUBING	CHANGE WELL NAME
SUBSEQUENT REPORT	☐ CHANGE WELL STATUS	COMMINGLE PRODUCING FORMATIONS	CONVERT WELL TYPE
Date of Work Completion:	L DEEPEN L I	FRACTURE TREAT	NEW CONSTRUCTION
	☐ OPERATOR CHANGE ☐ I	PLUG AND ABANDON	PLUG BACK
SPUD REPORT Date of Spud:	PRODUCTION START OR RESUME	RECLAMATION OF WELL SITE	RECOMPLETE DIFFERENT FORMATION
	REPERFORATE CURRENT FORMATION	SIDETRACK TO REPAIR WELL	TEMPORARY ABANDON
✓ DRILLING REPORT	L TUBING REPAIR	VENT OR FLARE	WATER DISPOSAL
Report Date: 8/3/2012	WATER SHUTOFF	SI TA STATUS EXTENSION	APD EXTENSION
0/3/2012	WILDCAT WELL DETERMINATION	OTHER	OTHER:
	COMPLETED OPERATIONS. Clearly show all peor the month of July 2012. Well	•	Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY August 07, 2012
Jaime Scharnowske	720 929-6304	Regulartory Analyst	
SIGNATURE N/A		DATE 8/3/2012	

Sundry Number: 29734 API Well Number: 43047519970000

	STATE OF UTAH		FORM 9
ı	DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	3	5.LEASE DESIGNATION AND SERIAL NUMBER: UT ST UO 01197-
SUNDR	Y NOTICES AND REPORTS ON	WELLS	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
	posals to drill new wells, significantly deep reenter plugged wells, or to drill horizontal n for such proposals.		7.UNIT or CA AGREEMENT NAME: NATURAL BUTTES
1. TYPE OF WELL Gas Well			8. WELL NAME and NUMBER: NBU 1022-12F1CS
2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ON	ISHORE, L.P.		9. API NUMBER: 43047519970000
3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th	PHC n Street, Suite 600, Denver, CO, 80217 377	ONE NUMBER: 79 720 929-6	9. FIELD and POOL or WILDCAT: 5NIATUERAL BUTTES
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1830 FNL 2162 FWL			COUNTY: UINTAH
QTR/QTR, SECTION, TOWNSH	HP, RANGE, MERIDIAN: 2 Township: 10.0S Range: 22.0E Meridian:	s	STATE: UTAH
11. CHECI	K APPROPRIATE BOXES TO INDICATE N	ATURE OF NOTICE, REPOR	T, OR OTHER DATA
TYPE OF SUBMISSION		TYPE OF ACTION	
	ACIDIZE	ALTER CASING	CASING REPAIR
NOTICE OF INTENT Approximate date work will start:	CHANGE TO PREVIOUS PLANS	CHANGE TUBING	CHANGE WELL NAME
SUBSEQUENT REPORT	CHANGE WELL STATUS	COMMINGLE PRODUCING FORMATIONS	CONVERT WELL TYPE
Date of Work Completion:	L DEEPEN L I	FRACTURE TREAT	NEW CONSTRUCTION
	OPERATOR CHANGE	PLUG AND ABANDON	PLUG BACK
SPUD REPORT Date of Spud:	PRODUCTION START OR RESUME	RECLAMATION OF WELL SITE	RECOMPLETE DIFFERENT FORMATION
	REPERFORATE CURRENT FORMATION	SIDETRACK TO REPAIR WELL	TEMPORARY ABANDON
✓ DRILLING REPORT	TUBING REPAIR	VENT OR FLARE	WATER DISPOSAL
Report Date: 9/5/2012	WATER SHUTOFF	SI TA STATUS EXTENSION	APD EXTENSION
9/3/2012	WILDCAT WELL DETERMINATION	OTHER	OTHER:
	COMPLETED OPERATIONS. Clearly show all per the month of August 2012. We	_	epths, volumes, etc. Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY September 05, 2012
Jaime Scharnowske	720 929-6304	Regulartory Analyst	
SIGNATURE N/A		DATE 9/5/2012	

Sundry Number: 30650 API Well Number: 43047519970000

	STATE OF UTAH				FORM 9	
ı	DEPARTMENT OF NATURAL RESOU DIVISION OF OIL, GAS, AND M		3	5.LEASE DESIGNATION AND S UT ST UO 01197-	SERIAL NUMBER:	
SUNDR	Y NOTICES AND REPORTS	S ON	WELLS	6. IF INDIAN, ALLOTTEE OR T	RIBE NAME:	
	posals to drill new wells, significantl reenter plugged wells, or to drill horiz n for such proposals.			7.UNIT or CA AGREEMENT NATURAL BUTTES	AME:	
1. TYPE OF WELL Gas Well				8. WELL NAME and NUMBER: NBU 1022-12F1CS		
2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ON	ISHORE, L.P.		9. API NUMBER: 43047519970000			
3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th	n Street, Suite 600, Denver, CO, 802		NE NUMBER: 720 929-6	9. FIELD and POOL or WILDC 5NATURAL BUTTES	AT:	
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1830 FNL 2162 FWL		COUNTY: UINTAH				
QTR/QTR, SECTION, TOWNSH Qtr/Qtr: SENW Section: 1	S	STATE: UTAH				
11. CHECI	K APPROPRIATE BOXES TO INDIC.	ATE N	ATURE OF NOTICE, REPOR	T, OR OTHER DATA		
TYPE OF SUBMISSION			TYPE OF ACTION			
	ACIDIZE		ALTER CASING	CASING REPAIR		
NOTICE OF INTENT Approximate date work will start:	CHANGE TO PREVIOUS PLANS		CHANGE TUBING	CHANGE WELL NAME		
	CHANGE WELL STATUS		COMMINGLE PRODUCING FORMATIONS	CONVERT WELL TYPE		
SUBSEQUENT REPORT Date of Work Completion:	DEEPEN	☐ F	RACTURE TREAT	NEW CONSTRUCTION		
	OPERATOR CHANGE	☐ F	PLUG AND ABANDON	PLUG BACK		
SPUD REPORT	✓ PRODUCTION START OR RESUME	F	RECLAMATION OF WELL SITE	RECOMPLETE DIFFERENT F	FORMATION	
Date of Spud:	REPERFORATE CURRENT FORMATION		SIDETRACK TO REPAIR WELL	TEMPORARY ABANDON		
	TUBING REPAIR		/ENT OR FLARE	WATER DISPOSAL		
DRILLING REPORT Report Date:	WATER SHUTOFF		SI TA STATUS EXTENSION	APD EXTENSION		
10/1/2012						
	WILDCAT WELL DETERMINATION		JIHER	OTHER:		
The subject wel	COMPLETED OPERATIONS. Clearly show I was placed on production I History will be submitted Report.	n on	10/01/2012. The	Accepted by the Utah Division o Oil, Gas and Mini FOR RECORD October 04, 20	f ng ONLY	
NAME (DI SAOS DEVINE)		ADEO T	TITLE			
NAME (PLEASE PRINT) Lindsey Frazier	PHONE NUN 720 929-6857	IBER	TITLE Regulatory Analyst II			
SIGNATURE N/A			DATE 10/4/2012			

Sundry Number: 30516 API Well Number: 43047519970000

	STATE OF UTAH		FORM 9
ı	DEPARTMENT OF NATURAL RESOURG DIVISION OF OIL, GAS, AND MII		5.LEASE DESIGNATION AND SERIAL NUMBER: UT ST UO 01197-
SUNDR	Y NOTICES AND REPORTS	ON WELLS	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
Do not use this form for pro current bottom-hole depth, I FOR PERMIT TO DRILL form	posals to drill new wells, significantly reenter plugged wells, or to drill horizon for such proposals.	deepen existing wells below ontal laterals. Use APPLICATION	7.UNIT or CA AGREEMENT NAME: NATURAL BUTTES
1. TYPE OF WELL Gas Well			8. WELL NAME and NUMBER: NBU 1022-12F1CS
2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ON		9. API NUMBER: 43047519970000	
3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th	PHONE NUMBER: 7 3779 720 929-	9. FIELD and POOL or WILDCAT: 6.5NATURAL BUTTES	
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1830 FNL 2162 FWL			COUNTY: UINTAH
QTR/QTR, SECTION, TOWNSH Qtr/Qtr: SENW Section: 1	HP, RANGE, MERIDIAN: 12 Township: 10.0S Range: 22.0E Meri	dian: S	STATE: UTAH
11. CHECI	K APPROPRIATE BOXES TO INDICA	TE NATURE OF NOTICE, REPO	RT, OR OTHER DATA
TYPE OF SUBMISSION		TYPE OF ACTION	
	ACIDIZE	ALTER CASING	CASING REPAIR
NOTICE OF INTENT Approximate date work will start:	CHANGE TO PREVIOUS PLANS	CHANGE TUBING	CHANGE WELL NAME
	CHANGE WELL STATUS	COMMINGLE PRODUCING FORMATIONS	CONVERT WELL TYPE
SUBSEQUENT REPORT Date of Work Completion:	DEEPEN	FRACTURE TREAT	NEW CONSTRUCTION
	OPERATOR CHANGE	PLUG AND ABANDON	PLUG BACK
SPUD REPORT	PRODUCTION START OR RESUME	RECLAMATION OF WELL SITE	RECOMPLETE DIFFERENT FORMATION
Date of Spud:	REPERFORATE CURRENT FORMATION	SIDETRACK TO REPAIR WELL	TEMPORARY ABANDON
	TUBING REPAIR	VENT OR FLARE	WATER DISPOSAL
DRILLING REPORT Report Date:	WATER SHUTOFF	SI TA STATUS EXTENSION	APD EXTENSION
10/3/2012	WILDCAT WELL DETERMINATION	OTHER	OTHER:
42 DESCRIPE PROPOSED OR	COMPLETED OPERATIONS. Clearly show		<u> </u>
	d, finishing well completion		
NAME (PLEASE PRINT) Jaime Scharnowske	PHONE NUME 720 929-6304	BER TITLE Regulartory Analyst	
SIGNATURE		DATE	
l N/A		10/3/2012	

STATE OF UTAH AMENDED REPORT FORM 8 DEPARTMENT OF NATURAL RESOURCES (highlight changes) DIVISION OF OIL, GAS AND MINING 5. LEASE DESIGNATION AND SERIAL NUMBER: UT ST UO 01997-A ST 6. IF INDIAN, ALL OTTEE OR TRIBE NAME WELL COMPLETION OR RECOMPLETION REPORT AND LOG 1a. TYPE OF WELL: 7. UNIT or CA AGREEMENT NAME OIL GAS 7 OTHER UTU63047A 8. WELL NAME and NUMBER: b. TYPE OF WORK: RE-ENTRY DIFF. RESVR. NBU 1022-12F1CS OTHER 2. NAME OF OPERATOR: 9. API NUMBER: KERR MCGEE OIL & GAS ONSHORE, L.P. 4304751997 3 ADDRESS OF OPERATOR: PHONE NUMBER: 10 FIELD AND POOL, OR WILDCAT STATE CO ZIP 80217 P.O.BOX 173779 (720) 929-6000 **NATURAL BUTTES** CITY DENVER 4. LOCATION OF WELL (FOOTAGES) 11. QTR/QTR, SECTION, TOWNSHIP, RANGE, AT SURFACE: SENW 1830FNL 2162FWL S12.T10S.R22E SENW 12 10S 22E S AT TOP PRODUCING INTERVAL REPORTED BELOW: SENW 1733 FNL 2135 FWL S12.T10S.R22E 12. COUNTY 13. STATE AT TOTAL DEPTH: SENW 1743 FNL 2160 FWL S12,T10S,R22E RHLby **UTAH UINTAH** 14. DATE SPUDDED: 15. DATE T.D. REACHED: 16. DATE COMPLETED: 17. ELEVATIONS (DF, RKB, RT, GL): ABANDONED READY TO PRODUCE 🚺 4/23/2012 6/13/2012 5164 GL 10/1/2012 19. PLUG BACK T.D.: MD 8.434 18. TOTAL DEPTH: 20. IF MULTIPLE COMPLETIONS, HOW MANY? * 21. DEPTH BRIDGE MD 8,485 PLUG SET: TVD 8.480 TVD 8,424 TVD 22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each) OCT 3 0 2012 WAS WELL CORED? NO 🔽 YES [(Submit analysis) BHV-BCAS-SD/DSN/ACTR-CBL/GR/CCL/TEMP WAS DST RUN? NO 🗸 YES (Submit report) DIRECTIONAL SURVEY? NO YES 7 (Submit copy) DIA'OLCE' CVS & WHAT 24. CASING AND LINER RECORD (Report all strings set in well) STAGE CEMENTER SLURRY VOLUME (BBL) CEMENT TYPE & HOLE SIZE SIZE/GRADE WEIGHT (#/ft.) TOP (MD) BOTTOM (MD) CEMENT TOP ** AMOUNT PULLED NO. OF SACKS DEPTH 20" 14" STL 36.7# 0 40 28 11" 8 5/8" IJ-55 28# 0 2.304 675 0 7 7/8" 4 1/2" I-80 0 8.480 140 11.6# 1.651 25. TUBING RECORD DEPTH SET (MD) PACKER SET (MD) DEPTH SET (MD) PACKER SET (MD) DEPTH SET (MD) PACKER SET (MD) 2 3/8" 7.793 26. PRODUCING INTERVALS 27. PERFORATION RECORD FORMATION NAME TOP (MD) TOP (TVD) BOTTOM (TVD) INTERVAL (Top/Bot - MD) PERFORATION STATUS BOTTOM (MD) SIZE NO HOLES 6,581 (A) MESAVERDE 8,308 6,581 8,308 0.36 168 Squeezed Open (B) Squeezed Open (C) Squeezed Open (D) Open Squeezed 28. ACID, FRACTURE, TREATMENT, CEMENT SQUEEZE, ETC. DEPTH INTERVAL AMOUNT AND TYPE OF MATERIAL PUMP 6508 BBLS SLICK H2O & 137,593 LBS 30/50 OTTAWA SAND 6581-8308 7 STAGES

GEOLOGIC REPORT

CORE ANALYSIS

DST REPORT

OTHER:

✓ DIRECTIONAL SURVEY

30. WELL STATUS:

PROD

29. ENCLOSED ATTACHMENTS:

ELECTRICAL/MECHANICAL LOGS

SUNDRY NOTICE FOR PLUGGING AND CEMENT VERIFICATION

31. INITIAL PRODUCTION

INTERVAL A (As shown in Item #26)

DATE FIRST PR 10/1/2012		TEST DATE: 10/5/201:	2	HOURS TESTED): 24	TEST PRODUCTION RATES: →	OIL – BBL:	GAS - MCF: 2,424	WATER - BBL:	PROD. METHOD: FLOWING
CHOKE SIZE: 20/64	TBG. PRESS. 1,484	CSG. PRESS. 4,002	API GRAVITY	BTU - GAS		24 HR PRODUCTION RATES: →	OIL – BBL:	GAS - MCF: 2,424	WATER - BBL: 240	INTERVAL STATUS: PROD
				INT	ERVAL B (As sho	wn in item #26)				
DATE FIRST PR	ODUCED:	TEST DATE:		HOURS TESTED	HOURS TESTED:		OIL BBL:	GAS MCF:	WATER - BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	BTU – GAS GAS/OIL RATIO		OIL - BBL:	GAS MCF:	WATER - BBL:	INTERVAL STATUS:
				INT	ERVAL C (As sho	wn in item #26)				
DATE FIRST PR	ODUCED:	TEST DATE:		HOURS TESTED):	TEST PRODUCTION RATES: →	OIL - BBL:	GAS - MCF:	WATER - BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL BBL:	GAS MCF:	WATER - BBL:	INTERVAL STATUS:
	·			INT	ERVAL D (As sho	wn in item #26)				···
DATE FIRST PR	ODUCED:	TEST DATE:		HOURS TESTED):	TEST PRODUCTION RATES: →	OIL BBL:	GAS - MCF:	WATER - BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS - MCF:	WATER BBL:	INTERVAL STATUS:
32. DISPOSITION SOLD	ON OF GAS (Sold,	Used for Fuel, V	ented, Etc.)		1	!				.
33. SUMMARY	OF POROUS ZON	IES (include Aqui	fers):			34	. FORMATION	(Log) MARKERS:		

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

Formation	Top (MD)	Bottom (MD)	Descriptions, Contents, etc.	Name	Top (Measured Depth)
			,	GREEN RIVER BIRD'S NEST MAHOGANY WASATCH MESAVERDE	1,073 1,337 1,704 4,120 6,248

35. ADDITIONAL REMARKS (include plugging procedure)

The first 210' of the surface hole was drilled with a 12 1/2" bit. The remainder of surface hole was drilled with an 11" bit. DQX csg was run from surface to 5030'; LTC csg was run from 5030' to 8480'. Attached is the chronological well history, perforation report & final survey.

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all availab	ie records.
---	-------------

NAME (PLEASE PRINT) LINDSEY FRAZIER

TITLE REGULATORY ANALYST

SIGNATURE Lindy Junes

DATE 10/24/2012

This report must be submitted within 30 days of

- completing or plugging a new well
- drilling horizontal laterals from an existing well bore
- · recompleting to a different producing formation
- · reentering a previously plugged and abandoned well
- · significantly deepening an existing well bore below the previous bottom-hole depth
- drilling hydrocarbon exploratory holes, such as core samples and stratigraphic tests
- * ITEM 20: Show the number of completions if production is measured separately from two or more formations.
- ** ITEM 24: Cement Top Show how reported top(s) of cement were determined (circulated (CIR), calculated (CAL), cement bond log (CBL), temperature survey (TS)).

Send to:

Utah Division of Oil, Gas and Mining 1594 West North Temple, Suite 1210

Box 145801

Phone: 801-538-5340

Salt Lake City, Utah 84114-5801

Fax: 801-359-3940

Operation Summary Report

Well: NBU 1022-	-12F1CS	GREEN						Spud Date: 4/2	8/2012
Project: UTAH-U	JINTAH			Site: NBL	J 1022-12	F PAD			Rig Name No: PROPETRO 11/11, H&P 298/298
Event: DRILLING	3			Start Date	e: 4/5/201	2			End Date: 6/15/2012
Active Datum: R Level)	KB @5,1	90.00usft (a	bove Mean Se	ea	UWI: SE	E/ NW /0/10	D/S/22/E/	12/0/0/26/PM/N/1	830/W/0/2162/0/0
Date	200	Time art-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (usft)	Operation
4/28/2012	<u> </u>	- 14:30	1.00	MIRU	01	В	Р	<u> </u>	MOVE RIG OVER HOLE
									INSTALL DIVERTOR HEAD AND BLUEY LINE.
									BUILD DITCH. SPOT IN RIG.
									SPOT IN CATWALK AND PIPE RACKS.
									RIG UP PIT PUMP.
									RIG UP PUMP. PRIME PUMP. INSPECT RIG.
									HELD PRE-SPUD SAFETY MEETING.
	14:30	÷ 16:00	1.50	DRLSUR	02	D	P		PU BHA & SPUD @ 14:30 DRL F/ 44' T/210' (166'@ 110.66' PER HR)
									WOB, 5-15 k RPM, 45
									UP/DWN/ROT WEIGHTS 20/20/20
									PSI ON BTTM, 600 OFF BTTM, 400
									PUMP RATE 512 GPM. NO AIR
									M.W. 8.34, VIS 27
	16:00	- 17:30	1.50	DRLSUR	06	Α	Р		PULL OUT OF HOLE
									PICK UP 11" BIT & DIRECTIONAL TOOLS
	17:30	- 0:00	6,50	DRLSUR	02	D	P		TRIP IN HOLE TO 210' DRL F/210' T/1330' (1120'@172 ' PER HR)
									WÖB, 20 RPM, 45
									UP/DWN/ROT WEIGHTS 70/60/65
								i	PSI ON BTTM/1400 OFF BTTM/1200
									PUMP RATE 512 GPM, NO AIR
									M.W. 8.34, VIS 27
									4' LEFT & 1' LOW OF LINE.

Well: NBU 1022-		GREEN						Spud Date: 4/28/2012			
Project: UTAH-U	INTAH			Site: NBL	J 1022-12	F PAD		Rig Name No: PROPETRO 11/11, H&P 298/298			
event: DRILLING	3		····	Start Date	e: 4/5/201	12		End Date: 6/15/2012	End Date: 6/15/2012		
Active Datum: Ri .evel)	KB @5,1	90.00usft (a	bove Mean S	ea	UWI: SI	E/ NW /0/1	//o/o/26/PM/N/1830/W/0/2162/o/o				
Date	N 200 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	Time art-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From Operation (usft)			
4/29/2012	0:00	- 8:30	8.50	DRLSUR	02	D	Р	DRL F/1330' T/2344' (1014'@119 ' PER HR)			
								WOB, 18 RPM, 45			
						·		UP/DWN/ROT WEIGHTS 82/75/80			
								PSI ON BTTM/1750 OFF BTTM/1400			
								LOST CIRCULATION @ 1450' & APPLIED AIR			
								PUMP RATE 512 GPM, 24.2 CFM AIR			
								M.W. 8.34, VIS 27			
								.69' RIGHT & 5.66' HIGH OF TARGET			
	0.20	40.00	• • •	221012		•	_	TD @ 08:30			
	8:30	- 10:30	2.00	DRLSUR	05	C	P	CIRCULATE FOR CASING			
		- 13:00 - 14:00	2.50 1.00	CSGSUR	06 12	Ď A	P. P	LDDS, BHA & DIRECTIONAL TOOLS			
	13.00	- 14.00	1.00	CSGSUR	12	A	Р	MOVE PIPE RACKS AND CATWALK.			
								PULL DIVERTER HEAD.			
								RIG UP TO RUN CSG.			
								MOVE CSG INTO POSITION TO P/U.			
	14:00	- 16:30	2.50	CSGSUR	12	С	P	RUN 52 JTS 8 5/8, 28# J55 CASING			
								SHOE @ 2304'			
								BAFFLE @ 2258'			
	16:30	- 17:30	1.00	CSGSUR	12	В	P	HOLD SAFETY MEETING,			
								PUMP ON CASING			
								RUN 200' OF 1".			
								RIG DOWN RIG MOVE OFF WELL,			
								REBUILD DITCH.			
								RIG UP CEMENT TRUCK, 2" HARD LINES,.			
								LAND CACING C (Total			
								LAND CASING @ 17:00			

10/17/2012 3:14:41PM

Operation Summary Report

Well: NBU 1022	2-12F1CS GREEN						Spud Date: 4/28/2012
Project: UTAH-I	HATAIL		Site: NBU	1022-12	F PAD		Rig Name No: PROPETRO 11/11, H&P 298/298
Event: DRILLIN	G		Start Date	: 4/5/201	12		End Date: 6/15/2012
Active Datum: F Level)	RKB @5,190.00usft (a	bove Mean S	Sea	UWI: SE	E/ NW/ 0/1	0/S/22/E/1	2/0/0/26/PM/N/1830/W/0/2162/0/0
Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From Operation (usft)
	17:30 - 18:30	1.00	CSGSUR	12	E	P	PRO PETRO MAKE UP CMT HEAD & LOAD PLUG
							PRESSURE TEST LINES TO 2000 PSI.
							PUMP 135 BBLS OF WATER AHEAD.
							PUMP 20 BBLS OF 8.3# GEL WATER AHEAD.
							PUMP (300 SX) 61.35 BBLS OF TAIL 15.8# 1.15 YD 5 GAL/SK PREMIUM CEMENT W/ 2% CALC. CMT TOP 1266'
							DROP PLUG ON FLY.
							DISPLACE W/ 137 BBLS OF H20.
							NO CIRC THROUGH OUT.
							FINAL LIFT OF 140 PSI AT 4 BBL/MIN.
							BUMP PLUG W/450 PSI HELD FOR 5 MIN. FLOAT HELD.
	18:30 - 20:00	1.50	CSGSUR	13	A	P	PUMP (150 SX) 30.64 BBLS OF SAME TAIL CEMENT W/ 4% CALC. DOWN BACK SIDE. SHUT DOWN AND CLEAN TRUCK. NO CEMENT TO SURFACE. WOC, 1.5 HOURS
							PUMP 125 SKS (25.6 BBLS)
							NO CMT TO SURFACE
	20:00 - 21:30	1.50	CSGSUR	13	Α	Р	WOC, 1.5 HOURS
							PUMP 100 SKS (20.4 BBLS)
							CMT TO SURFACE
6/11/2012	12:00 - 13:00	1.00	MIRU	01	С	Р	RELEASE RIG @ 21:30 SKID RIG 10' TO NBU 1022-F1CS,ALIGN OVER WELL
	13:00 - 14:00	1.00	PRPSPD	14	Α	P	NIPPLE UP BOPS,FLOWLINE,MUD LINE,WATER LINE
	14:00 - 14:30	0.50	PRPSPD	07	Α	Ė	RIG SERVICE
	14:30 - 16:30	2.00	PRPSPD	07	С	Р	REPLACE IBOP ACTUATOR & SAVER SUB, INSTALL DRILLING BAILS
	16:30 - 21:00	4.50	PRPSPD	15	A	P	RIG UP TESTER / PRESSURE TEST CASING 1500 HIGH 250 LOW FOR 30 MIN / PRESSURE TEST H&P EQUIP BLIND RAMS, PIPE RAMS, FLOOR VALVE, KILL LINES & KILL LINE VALVES, BOP WING VALVES, HCR VALVE + CHOKE LINE; INNER AND OUTER CHOKE VALVES & MANIFOLD TO 250 PSI LOW @ 5 MINUTES + 5000 PSI HIGH @ 10 MINUTES / TEST ANNULAR TO 250 PSI LOW @ 5 MINUTES + 2500 PSI HIGH
	21:00 - 21:30	0.50	PRPSPD	15	Α	Р	SET WEAR BUSHING ,INSTALL BEARING ASSEMBLY & TEST PLUG

10/17/2012 3:14:41PM

Operation Summary Report

 Well: NBU 1022-12F1CS GREEN
 Spud Date: 4/28/2012

 Project: UTAH-UINTAH
 Site: NBU 1022-12F PAD
 Rig Name No: PROPETRO 11/11, H&P 298/298

 Event: DRILLING
 Start Date: 4/5/2012
 End Date: 6/15/2012

Active Datum: RKB @5,190.00usft (above Mean Sea

UWI: SE/NW/0/10/S/22/E/12/0/0/26/PM/N/1830/W/0/2162/0/0

Date		Time	Duration	Phase	Code	Sub	P/U	MD From Operation
		art-End	(hr)			Code		(usft)
	21:30	- 22:00	0.50	PRPSPD	15	Α	P	TEST MI SWACO,CHOKE MANIFOLD & ORBIT VALVES, 1,000 PSI
	22:00	- 23:00	1.00	PRPSPD	06	Α	P	PICK UP & MAKE UP BHA #1 SCRIBE ,ORIENTATE & TEST SAME / TIH TAG CEMENT @ 2,196'
	23:00	- 0:00	1.00	PRPSPD	07	В	P	LEVEL DERRICK, PRE SPUD INSPECTION
3/12/2012	0:00	- 0:30	0.50	PRPSPD	07	С	P	CHANGE OUT ROTATING RUBBER
	0:30	- 2:00	1.50	PRPSPD	09	Α	P	CUT DRILL LINE
	2:00	- 3:00	1.00	DRLPRC	02	F	P	DRILL FLOAT TRAC F/2,196 ,BAFFLE @ 2,280 SHOE @ 2,326 OPEN HOLE TO 2,366
	3:00	- 6:00	3.00	DRLPRC	02	D	Р	DRILL / SLIDE / SURVEY F/2,366 TO 2,700 = 334' @ 111 FPH
								WOB 20,000-22,000
								TOP DRIVE RPM 40-74
								MUD MOTOR RPM 90-115
								PUMPS -124 SPM=-558 GPM
								PUMP PRESSURE ON/OFF BTM 1,780 1,420
								TORQUE ON/OFF BTM 6,000/ 3,000 PICK UP WT 103,000
								SLACK OFF WT 75,000
								ROT WT 94,000
								SLIDE 75' IN 45 MIN .22% OF FOOTAGE
								DRILLED,25%OF HRS DRILLED
								MW 8.5 VIS 25 /NOV D-WATER
	6:00	- 15:00	9.00	DRLPRC	02	D	Р	DRILL / SLIDE / SURVEY F/2,700 TO 4,025 = 1,325' @ 147.2 FPH
								WOB 20,000-22,000
								TOP DRIVE RPM 40-74
								MUD MOTOR RPM 90-115 PUMPS -124 SPM=-558 GPM
								PUMP PRESSURE ON/OFF BTM 1,975 1,600 TORQUE ON/OFF BTM 7,000/ 3,000
								PICK UP WT 124,000
								SLACK OFF WT 106,000
								ROT WT 113,000
								SLIDE 189' IN 140 MIN .14% OF FOOTAGE
								DRILLED,23%OF HRS DRILLED
	15:00	- 15:30	0.50	DRLPRC	07	Α	Р	MW 8.5 VIS 25 /NOV D-WATER RIG SERVICE
		- 0:00	8.50	DRLPRC	02	D	P P	DRILL / SLIDE / SURVEY F/4,025 TO 5,632 = 1,607' @ 189. FPH
								WOB 20,000-24,000
								TOP DRIVE RPM 40-75
								MUD MOTOR RPM 90-115
								PUMPS -124 SPM=-558 GPM
								PUMP PRESSURE ON/OFF BTM 2,140- 1,770 TORQUE ON/OFF BTM 6,000/ 4,000
								PICK UP WT 155,000
								SLACK OFF WT 128,000
								ROT WT 138,000 SLIDE 50' IN 35 MIN .3.1% OF FOOTAGE
								DRILLED, 6.6%OF HRS DRILLED
								MW 8.5 VIS 25 / NOV D-WATER

Operation Summary Report

Spud Date: 4/28/2012 Well: NBU 1022-12F1CS GREEN Project: UTAH-UINTAH Site: NBU 1022-12F PAD Rig Name No: PROPETRO 11/11, H&P 298/298 Event: DRILLING End Date: 6/15/2012 Start Date: 4/5/2012

Event: DRILLING		.,		Start Date	: 4/5/201	2	<u> </u>	End Date: 6/15/2012
Active Datum: RK Level)	B @5,19	0.00usft (ab	ove Mean S	ea	UWI: SE	E/ NW /0/1	0/S/22/E/	12/0/0/26/PM/N/1830/W/0/2162/0/0
Date		īme irt-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From Operation (usft)
6/13/2012	0:00	- 6:00	6.00	DRLPRC	02	D	P	DRILL / SLIDE / SURVEY F/5,632 TO 6,300 = 718' @ 119 FPH WOB 20,000-26,000 TOP DRIVE RPM 40-75 MUD MOTOR RPM 90-115 PUMPS -124 SPM=-558 GPM PUMP PRESSURE ON/OFF BTM 2,210 1,800 TORQUE ON/OFF BTM 7,000/ 4,000 PICK UP WT 148,000 SLACK OFF WT 131,000 ROT WT 149,000 SLIDE 72' IN 75 MIN 10% OF FOOTAGE DRILLED,15%OF HRS DRILLED MW 8.5 VIS 25 /NOV D-WATER
	6:00	- 14:00	8.00	DRLPRC	02	D	P	DRILL / SLIDE / SURVEY F/ 6,300 TO 7,520 1220' @ 152.5 FPH WOB 20,000-27,000 TOP DRIVE RPM 40-75 MUD MOTOR RPM 90-115 PUMPS -124 SPM=-558 GPM PUMP PRESSURE ON/OFF BTM 2,300 1,960 TORQUE ON/OFF BTM 9,000/ 6,000 PICK UP WT 200,,000 SLACK OFF WT 138,000 ROT WT 172,000 SLIDE 70' IN 65 MIN 6% OF FOOTAGE DRILLED,12%OF HRS DRILLED MUD WT 8.5 VIS 27
	14:00	- 14:30	0.50	DRLPRC	07	Α	P	RIG SERVICE
	14:30	- 21:30	7.00	DRLPRC	02	D	P	DRILL / SURVEY F/7,520 TO 8,485 965' @ 137.8 FPH WOB 20,000-27,000 TOP DRIVE RPM 40-75 MUD MOTOR RPM 90-115 PUMPS -124 SPM=-558 GPM PUMP PRESSURE ON/OFF BTM 2,300 1,960 TORQUE ON/OFF BTM 9,000/ 6,000 PICK UP WT 200,,000 SLACK OFF WT 138,000 ROT WT 172,000 MUD WT 8.5 VIS 22
	21:30	- 23:30	2.00	DRLPRC	05	G	Р	CCH DISPLACE HOLE W/ MUD
	23:30	- 0:00	0.50	DRLPRC	06	E	P	WIPER TRIP
6/14/2012	0:00	- 2:00	2.00	DRLPRC	06	E	P	WIPER TRIP TO CASING SHOE,FLOW CHECK @ SHOE, NO TIGHT SPOTS, HOLE GOOD
	2:00	- 4:30	2.50	DRLPRC	06	E	Р	TIH, BRIDGE @ 7,993 BREAK CIRC @ 2,375,/ 4,950 / 6,920
	4:30	- 5:30	1.00	DRLPRC	03	E	P	W&R THRU BRIDGES 7,993-8,012-8,078,CIH WASH 80' TO BTM 8' FILL,15-20' FLARE ON BTMS UP / NO MUD LOSS MW 11.4 VIS 39
	5:30	- 7:00	1.50	DRLPRC	05	С	Р	CCH F/OPEN HOLE LOGS
	7:00 8:00	- 8:00 - 9:00	1.00	DRLPRC	06 05	E	P P	6 STD WIPER TRIP TO 7,800,WASH 685' BACK TO BTM / NO PROBLEM CCH F/ LOGS
	9:00	- 12:00	3.00	EVALPR	06	В	Р	TRIP OUT FOR OPEN HOLE LOGS, HOLE GOOD

10/17/2012 3:14:41PM

Operation Summary Report

Well: NBU 1022-12F1CS GREEN

Spud Date: 4/28/2012

Project: UTAH-UINTAH

Site: NBU 1022-12F PAD

Rig Name No: PROPETRO 11/11, H&P 298/298

Event: DRILLING

Start Date: 4/5/2012

End Date: 6/15/2012

Active Datum: RKB @5,190.00usft (above Mean Sea

UWI: SE/NW/0/10/S/22/E/12/0/0/26/PM/N/1830/W/0/2162/0/0

Level)								
Date	Time	Duration	Phase	Code	Sub	P/U	MD From	Operation
	Start-End	(hr)		11	Code		(usft)	
	12:00 - 18:30 18:30 - 20:30	6.50 2.00	EVALPR	11	G A	P P		HSM W/ HALLIBURTON & RIG CREW/ R/U AND RUN QUAD COMBO / DRILLER TD 8,485 LOGGER TD 8,464 ,LOG OUT TO SURFACE R/D SAME PULL SMITH BEARING ASSEMBLY,INSTALL CASING ROTATING HEAD HOUSING,PULL WEAR
	20:30 - 0:00	3.50	CSGPRO	12	С	P		BUSHING,X/O BAILS CT-JSA RIG UP FRANKS,M/U FLOAT EQUIP,TEST FLOATS, RUN 41/2 CASING
6/15/2012	0:00 - 5:00	5.00	CSGPRO	12	С	P		RUN 78 JTS I-80 11.6# LTC 4.5 CASING +1 CROSSOVER LTC/ DQX 116 JTS I-80 11.6# DQX 4.5 CASING+ RELATED TOOLS / BREAKING CIRCULATION @ SELECTED INTERVALS / LANDING CASING MANDREL IN BOWL W/95,000 @ 8,480' FOR CIRC & CEMENTING MV MKR @ 6,243 X/0 @ 5,029
	5:00 - 6:30	1.50	CSGPRO	05	D	P		FILL & CIRC CASING BTMS UP GAS 2/10 MUD CUT- 15-20' FLARE /RD FRANKS / CT-JSA WITH BJ
	6:30 - 10:00 10:00 - 13:00	3.50	CSGPRO	12	E	P		INSTALL BJ CMT HEAD, TEST PUMP & LINES TO 5,000 PSI, DROP BOTTOM PLUG PUMP 25 BBLS FW PUMP 475 SKS LEAD CEMENT @ 12.5 PPG, (169.5 BBLS) (PREM LITE II + .0.25 pps CELLO FLAKE + 5 pps KOL SEAL + .05 lb/sx STATIC FREE + 6% bwoc BENTONITE + .2% bwoc SODIUM META SILICATE + 0.2 % R-3 +0.4%bwoc FL-52 100.1% FRESH WATER / (10.44 gal/sx, 1.98 yield) + 1176 SX TAIL @ 14.3 ppg(275.3 BBLS) + (CLS G 50/50 POZ + 10% SALT + .005libs/sx STATIC FREE + .2% R3 + .002 GPS FP-6L + 2% BENTONITE +0.5%EC-1+ 58.9% FW / (5.94 gal/sx, 1.32 yield) WASH PUMP & LINES DROP TOP PLUG & DISPLACE W/ 131 BBLS H2O + ADDITIVES / PLUG DOWN @ 09:13 HOURS / FLOATS HELD W/ 1.5 BBLS H2O RETURNED TO INVENTORY/ GOOD RETURNS THROUGH OUT JOB / LIFT PRESSURE @ 2,589 PSI BUMP PRESSURE @ 3,117 W/ 30 BBLS LEAD CEMENT TO PIT / TOP OF TAIL CEMENT CALCULATED @ 3,610' / RIG DOWN BJ
V	10:00 - 13:00	3,00	CSGPRO	14	A	P		FLUSH BOP'S & EQUIPMENT / SET PACK OFF WITH CAMERON / LAY DOWN RUNNING TOOL / NIPPLE DOWN BOP & EQUIPMENT / PREP FOR SKID / RELEASE RIG @ 13:00 HRS 6/15/2012 TO NBU 1022-E1CS

1 General

1.1 Customer Information

Company	US ROCKIES REGION
Representative	
Address	

1.2 Well/Wellbore Information

Well	NBU 1022-12F1CS GREEN	Wellbore No.	OH
Well Name	NBU 1022-12F1CS	Wellbore Name	NBU 1022-12F1CS
Report No.	1	Report Date	9/10/2012
Project	UTAH-UINTAH	Site	NBU 1022-12F PAD
Rig Name/No.		Event	COMPLETION
Start Date	9/10/2012	End Date	10/1/2012
Spud Date	4/28/2012	Active Datum	RKB @5,190.00usft (above Mean Sea Level)
UWI	SE/NW/0/10/S/22/E/12/0/0/26/PM/N/1830/W/0/21	62/0/0	

1.3 General

	A-4			
- 1	Contractor	Job Method	Supervisor	
	Perforated Assembly	 Conveyed Method		

1.4 Initial Conditions

1.5 Summary

Fluid Type		Fluid Density	Gross Interval	6,581.0 (usft)-8,308.0 (usft	Start Date/Time	9/10/2012	12:00AM
Surface Press		Estimate Res Press	No. of Intervals	34	End Date/Time	9/10/2012	12:00AM
TVD Fluid Top		Fluid Head	Total Shots	168	Net Perforation Interval		56.00 (usft)
Hydrostatic Press		Press Difference	Avg Shot Density	3.00 (shot/ft)	Final Surface Pressure		
Balance Cond	NEUTRAL				Final Press Date		

2 Intervals

2.1 Perforated Interval

Date Formation/ CCL@ CCL-T Reservoir (usft) S (usft)	MD Top (usft)	(usft)		Misfires/ Diamete Carr Type /Stage No Add. Shot r (in)	Carr Ph Size (in)	hasing Charge Desc/Charge (°) Manufacturer	Charge Reason Weight (gram)	Misrun
9/10/2012 MESAVERDE/	6,581.0	6,583.0	3.00	0.360 EXP/	3.375	120.00	23.00 PRODUCTIO	
12:00AM			1				N	

2.1 Perforated Interval (Continued)

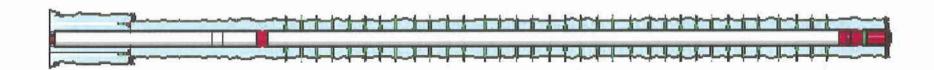
Date	Formation/	CCL@	CCL-T	MD Top	MD Base	Shot	Misfires/	Diamete	Carr Type /Stage No	Carr	Phasing	Charge Desc/Charge	Charge	Reason	Misrun
	Reservoir	(usft)	S (usft)	(usft)	(usft)	Density (shot/ft)	Add. Shot	ľ (in)		Size (in)	ෆ	Manufacturer	Weight (gram)		
9/10/2012	MESAVERDE/	<u> 11</u>	(usit)	6,603.0	6,605.0		Lander Charles - No. 1	0.360	EXP/	3.375	120.00			PRODUCTIO	<u> </u>
12:00AM									· 		<u></u> .			N	,
9/10/2012 12:00AM	MESAVERDE/			6,609.0	6,611.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTIO	
	MESAVERDE/			6,644.0	6,646.0	3.00		0.360	FXP/	3.375	120.00		23.00	PRODUCTIO	
12:00AM	WEO/WENDE/			0,011.0	0,0 10.0	0.00	:	0.000		:				N	
9/10/2012 12:00AM	MESAVERDE/		-	6,704.0	6,706.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTIO N	
	MESAVERDE/	· · · · · · · · · · · · · · · · · · ·		6,727.0	6,729.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTIO	
12:00AM														N	; ;===================================
9/10/2012 12:00AM	MESAVERDE/	1		6,737.0	6,739.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTIO N	
9/10/2012 12:00AM	MESAVERDE/			6,756.0	6,758.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTIO N	
	MESAVERDE/			6,897.0	6,899.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTIO N	
9/10/2012 12:00AM	MESAVERDE/			6,916.0	6,918.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTIO N	
	MESAVERDE/			6,992.0	6,994.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTIO N	
	MESAVERDE/		; 	7,044.0	7,046.0	3.00		0.360	EXP/	3.375	120.00	-	23.00	PRODUCTIO N	
	MESAVERDE/		: :	7,258.0	7,259.0	3.00	:	0.360	EXP/	3.375	120.00		23.00	PRODUCTIO N	
manual and a second	MESAVERDE/			7,276.0	7,277.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTIO N	1
	MESAVERDE/			7,344.0	7,345.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTIO N	
	MESAVERDE/			7,366.0	7,367.0	3.00	1	0.360	EXP/	3.375	120.00		23.00	PRODUCTIO N	
	MESAVERDE/			7,430.0	7,434.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTIO N	
	MESAVERDE/		;	7,472.0	7,473.0	3.00	100000011110000	0.360	EXP/	3.375	120.00		23.00	PRODUCTIO N	-,
	MESAVERDE/		·	7,495.0	7,496.0	3.00		0.360	EXP/	3.375	120.00	. =	23.00	PRODUCTIO N	
	MESAVERDE/		<u></u>	7,554.0	7,556.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTIO N	
	MESAVERDE/			7,564.0	7,566.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTIO N	
	MESAVERDE/			7,668.0	7,670.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTIO N	

2.1 Perforated Interval (Continued)

Date	Formation/ Reservoir	CCL@ (usft)	CCL-T S (usft)	MD Top (usft)	MD Base (usft)	Shot Density (shot/ft)	Misfires/ Add. Shot	Diamete r (in)	Carr Type /Stage No	Carr Size (in)	Phasing (°)	Charge Desc/Charge Manufacturer	Charge Weight (gram)	Reason	Misrun
9/10/2012 12:00AM	MESAVERDE/			7,808.0	7,809.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTIO N	
9/10/2012 12:00AM	MESAVERDE/			7,843.0	7,844.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTIO N	
9/10/2012 12:00AM	MESAVERDE/			7,859.0	7,860.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTIO N	
9/10/2012 12:00AM	MESAVERDE/			7,884.0	7,885.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTIO N	
9/10/2012 12:00AM	MESAVERDE/			7,904.0	7,905.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTIO N	
9/10/2012 12:00AM	MESAVERDE/			7,961.0	7,962.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTIO N	
9/10/2012 12:00AM	MESAVERDE/			7,978.0	7,979.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTIO N	
9/10/2012 12:00AM	MESAVERDE/			7,988.0	7,989.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTIO N	
9/10/2012 12:00AM	MESAVERDE/			8,176.0	8,178.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTIO N	
9/10/2012 12:00AM	MESAVERDE/			8,277.0	8,279.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTIO N	
9/10/2012 12:00AM	MESAVERDE/			8,290.0	8,292.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTIO N	
9/10/2012 12:00AM	MESAVERDE/			8,306.0	8,308.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTIO N	

3 Plots

3.1 Wellbore Schematic



				Opera	ation S	Summa	iry Report
Well: NBU 1022	2-12F1CS GREEN	<u> </u>	* ************************************	<u> Sala Pre es tra Se</u>			Spud Date: 4/28/2012
Project: UTAH-	UINTAH		Site: NBL	J 1022-12	2F PAD		Rig Name No: ROCKY MOUNTAIN WELL SERVICE 3/3
Event: COMPLI	ETION		Start Date	e: 9/10/20	012		End Date: 10/1/2012
Active Datum: F Level)	RKB @5,190.00usft (a	bove Mean Se	a	UWI: SI	E/ NW /0/1	0/S/22/E/1	2/0/0/26/PM/N/1830/W/0/2162/0/0
Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From Operation (usft)
4/28/2012	_						
4/29/2012	-						
9/10/2012	11:00 - 12:30	1.50	FRAC	33	С	Р	FILL SURFACE CSG. MIRU B&C QUICK TEST.
							PSI TEST T/ 1000 PSI. HELD FOR 15 MIN LOST 9 PSI.
							PSI TEST T/ 3500 PSI. HELD FOR 15 MIN LOST 18
							PSI.
							1ST PSI TEST T/ 7000 PSI. HELD FOR 30 MIN LOST 67 PSI.
							NO COMMUNICATION OR MIGRATION WITH
							SURFACE CSG
							BLEED OFF PSI. MOVE T/ NEXT WELL.
							SMFW
9/14/2012	10:00 - 15:00	5.00	FRAC	37	В	Р	PERF STG 1)PU 3 1/8 EXP GUN, 23 GM, .36 HOLE
							SIZE. 120 DEG PHASING. RIH PERF AS PER DESIGN. POOH. SWIFWE.
9/17/2012	7:00 - 13:00	6.00	FRAC	36	В	Р	MIRU SUPERIOR FRAC EQUIP, BLENDER BROKE
							DOWN DID NOT FRAC
	CIAE man					_	

Р

HSM, PLACEMENT, HIGH PRESSURE

10/17/2012 3:30:14PM

9/18/2012

6:45 - 7:00

FRAC

48

0.25

Well: NBU 1022-	12F1CS GREEN						Spud Date: 4/28	3/2012		
Project: UTAH-U			Site: NBI	J 1022-12	₽F PAD			Rig Name No: ROCKY MOUNTAIN WELL SERVICE 3/3		
Event: COMPLE	TION		Start Dat	e: 9/10/20	012			End Date: 10/1/2012		
Active Datum: RI	KB @5,190.00usft (ab	ove Mean Se	a	UWI: SI	E/NW/0/10)/S/22/E/1	2/0/0/26/PM/N/18	330/W/0/2162/0/0		
Level)										
Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (usft)	Operation		
	7:00 - 17:00	10.00	FRAC	36		P		PERF & FRAC FOLLOWING WELL AS PER DESIGN W/ 30/50 MESH SAND & SLK WTR. ALL CBP'S ARE HALIBURTON 8K CBP'S. REFER TO STIM PJR FOR FLIUD, SAND AND CHEMICL VOLUME PUM'D FRAC STG #1] WHP=1,506#, BRK DN PERFS=3,721#, @=4.7 BPM, INJ RT=51, INJ PSI=5,518#, INITIAL ISIP=2,520#, INITIAL FG=.74, FINAL ISIP=2,583#, FINAL FG=.75, AVERAGE RATE=49.8, AVERAGE PRESSURE=5,243#, MAX RATE=51.3, MAX PRESSURE=5,910#, NET PRESSURE INCREASE=63#, 21/24 88% CALC PERFS OPEN. X OVER TO WIRE LINE PERF STG #2] P/U RIH W/ HALIBURTON 8K CBP & PERF GUN, SET CBP @=8,019', PERF MESAVERDE USING 3-1/8 EXPEND, 23 GRM, 0.36" HOLE. AS PERSAY IN PROCEDURE, X OVER TO FRAC CREW FRAC STG #2] WHP=301#, BRK DN PERFS=5,043#, @=4.6 BPM, INJ RT=51.3, INJ PSI=5,608#, INITIAL ISIP=2,369#, INITIAL FG=.74, FINAL ISIP=2,608#, FINAL FG=.76, AVERAGE RATE=46.9, AVERAGE PRESSURE=5,682#, MAX RATE=51.3, MAX PRESSURE=6,205#, NET PRESSURE INCREASE=239#, 19/24 79% CALC PERFS OPEN. X		
								OVER TO WIRE LINE PERF STG #3] P/U RIH W/ HALIBURTON 8K CBP &		
								PERF GUN, SET CBP @=7,700', PERF MESAVERDE USING 3-1/8 EXPEND, 23 GRM, 0.36" HOLE. AS PERSAY IN PROCEDURE, X OVER TO FRAC CREW. SWIFN		
9/19/2012	6:30 - 6:45	0.25	FRAC	48		Р		HSM, TRIP, SLIPS, FALLS.		

10/17/2012 3:30:14PM 2

Vell: NBU 1022-12F1CS GREEN					Spud Date: 4/28	3/2012		
roject: UTAH-UINTAH	Site: NB	U 1022-12	F PAD		<u> </u>	Rig Name No: ROCKY MOUNTAIN WELL SERVICE 3/3		
vent: COMPLETION	Start Da	te: 9/10/20)12			End Date: 10/1/2012		
active Datum: RKB @5,190.00usft (above Mear	Sea	UWI: SE	E/NW/0/1	0/S/22/E/	12/0/0/26/PM/N/18	330/W/0/2162/0/0		
Date Time Duration Start-End (hr)	Phase	Code	Sub Code	P/U	MD From (usft)	Operation		
6:45 - 17:00 10.25	FRAC	36	В	P		FRAC STG #3] WHP=1,700#, BRK DN PERFS=5,007#, @=4.3 BPM, INJ RT=38.9, INJ PSI=5,724#, INITIAL ISIP=2,132#, INITIAL FG=.72, FINAL ISIP=2,089#, FINAL FG=.71, AVERAGE RATE=42.6, AVERAGE PRESSURE=5,360#, MAX RATE=50.2, MAX PRESSURE=6,235#, NET PRESSURE INCREASE=-43#, 15/24 63% CALC PERFS OPEN. X OVER TO WIRE LINE PERF STG #4] P/U RIH W/ HALIBURTON 8K CBP & PERF GUN, SET CBP @=7,462', PERF MESAVERDE USING 3-1/8 EXPEND, 23 GRM, 0.36" HOLE. AS PERSAY IN PROCEDURE, X OVER TO FRAC CREW FRAC STG #4] WHP=914#, BRK DN PERFS=4,843#, @=4.2 BPM, INJ RT=49.3, INJ PSI=4,931#, INITIAL ISIP=2,019#, INITIAL FG=.71, FINAL ISIP=2,047#, FINAL FG=.71, AVERAGE RATE=48.1, AVERAGE PRESSURE=4,435#, MAX RATE=51.2, MAX PRESSURE=6,167#, NET PRESSURE INCREASE=28#, 19/24 79% CALC PERFS OPEN. X OVER TO WIRE LINE PERF STG #5] P/U RIH W/ HALIBURTON 8K CBP & PERF GUN, SET CBP @=7,076', PERF MESAVERDE USING 3-1/8 EXPEND, 23 GRM, 0.36" HOLE. AS		
9/20/2012 6:45 - 7:00 0.25	FRAC	48		P		PERSAY IN PROCEDURE, X OVER TO FRAC CREW FRAC STG #5] WHP=466#, BRK DN PERFS=3,539#, @=4.1 BPM, INJ RT=48.7, INJ PSI=5,736#, INITIAL ISIP=1,672#, INITIAL FG=.68, FINAL ISIP=2,478#, FINAL FG=.79, AVERAGE RATE=46.9, AVERAGE PRESSURE=5,920#, MAX RATE=48.7, MAX PRESSURE=6,235#, NET PRESSURE INCREASE=806#, 15/24 63% CALC PERFS OPEN. X OVER TO WIRE LINE PERF STG #6] P/U RIH W/ HALIBURTON 8K CBP & PERF GUN, SET CBP @=6,788*, PERF MESAVERDE USING 3-1/8 EXPEND, 23 GRM, 0.36" HOLE. AS PERSAY IN PROCEDURE, X OVER TO FRAC CREW. SWIFN. HSM, RIGGING DOWN		

10/17/2012 3:30:14PM 3

Operation Summary Report

Well: NBU 1022-	12F1CS	GREEN						Spud Date: 4/28/2012
Project: UTAH-U	INTAH			Site: NBU	l 1022-12	F PAD		Rig Name No: ROCKY MOUNTAIN WELL SERVICE 3/3
Event: COMPLE	TION			Start Date	e: 9/10/20	12		End Date: 10/1/2012
Active Datum: RI Level)	KB @5,19	90.00usft (ab	ove Mean Se	еа	UWI: SE	E/ NW /0/1	D/S/22/E/	12/0/0/26/PM/N/1830/W/0/2162/0/0
Date		Time art-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From Operation (usft)
	7:00	- 16:00	9.00	FRAC	36	В	Р	FRAC STG #6] WHP=872#, BRK DN PERFS=3,730#, @=3.3 BPM, INJ RT=50.8, INJ PSI=4,406#, INITIAL ISIP=1,283#, INITIAL FG=.62, FINAL ISIP=1,885#, FINAL FG=.70, AVERAGE RATE=44.1, AVERAGE PRESSURE=4,211#, MAX RATE=51.1, MAX PRESSURE=5,210#, NET PRESSURE INCREASE=802#, 18/24 75% CALC PERFS OPEN. X OVER TO WIRE LINE
								PERF STG #7] P/U RIH W/ HALIBURTON 8K CBP & PERF GUN, SET CBP @=6,676', PERF MESAVERDE USING 3-1/8 EXPEND, 23 GRM, 0.36" HOLE. AS PERSAY IN PROCEDURE, X OVER TO FRAC CREW
								FRAC STG #7] WHP=1,003#, BRK DN PERFS=1,677#, @=4.3 BPM, INJ RT=51, INJ PSI=4,712#, INITIAL ISIP=1,099#, INITIAL FG=.60, FINAL ISIP=1,997#, FINAL FG=.74, AVERAGE RATE=40.7, AVERAGE PRESSURE=3,921#, MAX RATE=51.2, MAX PRESSURE=5,420#, NET PRESSURE INCREASE=898#, 16/24 67% CALC PERFS OPEN. X OVER TO WIRE LINE
								P/U RIH W/ HALIBURTON 8K CBP, SET FOR TOP KILL @=6,531'
9/28/2012	7:00	- 7:15	0.25	DRLOUT	48		P	TOTAL FLUID PUMP'D=6508 BBLS TOTAL SAND PUMP'D=137,593# HSM-JSA
	7:15	- 12:55	5.67	DRLOUT	31	i	P	RDMO NBU 1022-12E4BS, MIRU, NDWH, NUBOP, PU 3 7/8" BIT & POBS W/ XN SN, RIH W/ 206 JTS 2 3/8" L-80 OFF FLOAT TAG FILL @ 6,516', BRK CIRC PRESS TEST BOP TO 3,000 PSI LOST 0 PSI IN 15 MIN, SWIFWE.
10/1/2012	7:00	- 7:15	0.25	DRLOUT	48		Р	HSM-JSA

oject: UTAH-UINTAH									
		Site: NBI	J 1022-12	F PAD			Rig Name No: ROCKY MOUNTAIN WELL SERVICE 3/3		
		Start Dat	e: 9/10/20)12			End Date: 10/1/2012		
tive Datum: RKB @5,190.00usft (a vel)	oove Mean Se	ea	UWI: SE	E/ NW/ 0/1	0/S/22/E/	12/0/0/26/PM/N/1	830/W/0/2162/0/0		
Date Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (usft)	Operation		
7:15 - 12:00	4.75	DRLOUT	44	С	P		RU PWR SWVL		
							C/O 15' SAND TAG PLUG #1 @ 6,531', DRL HAL 8K CBP IN 5 MIN, 0 PSI INC, FCP 0 PSI, RIH TAG FILL @ 6,661'.		
							C/O 15' SAND TAG PLUG #2 @ 6,676', DRL HAL 8K CBP IN 4 MIN, 100 PSI I NC, FCP 25 PSI, RIH TAG FILL @ 6,768'.		
							C/O 20' SAND TAG PLUG #3 @ 6.788', DRL HAL 8K CBP IN 4 MIN, 700 PSI INC, FCP 100 PSI, RIH TAG FILL @ 7,046'.		
							C/O 30' SAND TAG PLUG #4 @ 7,076', DRL HAL 8K CBP IN 5 MIN, 500 PSI INC, FCP 200 PSI, RIH TAG FILL @ 7,447'.		
							C/O 15' SAND TAG PLUG #5 @ 7,462', DRL HAL 8K CBP IN 5 MIN, 300 PSI INC, FCP 300 PSI, RIH TAG FILL @ 7,670'.		
							C/O 30, SAND TAG PLUG #6 @ 7,700', DRL HAL 8K CBP IN 5 M IN, 300 PSI INC, FCP 300 PSI, RIH TAG FILL @ 7,989'.		
							C/O 30' SAND TAG PLUG #7 @ 8,019', DRL HAL 8K CBP IN 6 MIN, 300 PSI INC, FCP 500 PSI, RIH TAG FILL @8,388'.		
							C/O 50' SAND TO PBTD @ 8,438', CIRC WELL CLEAN, RD PWR SWVL, POOH LD 21 JTS TBG, LAND TBG W/ 245 JTS 2 3/8" L-80, EOT @ 7,793.19', RD FLOOR & TBG EQUIP, NDBOP, NUWH, DROP BALL POBS @ 2,200 PSI, PRESS TEST FLOWLINE FROM WELLHEAD TO HAL 9,000 TO 3,000 PSI, LET BIT FALL 20 MIN TURN OVER TO FBC, RDMO		
							KB-26' HANGER83' 245 JTS 2 3/8" L-80-7,764.16' POBS W/ XN SN-2.20' EOT @ 7,793.19'		
							283 JTS DEL 245 JTS USED 38 JT RET		
12:00 - 12:00	0.00	DRLOUT	50				TWTR=6,688 BBLS TWR=2,071 BBLS TWLTR=4,617 BBLS WELL TURNED TO SALES @ 1200 HR ON		

10/17/2012 3:30:14PM 5

Project: UTAH - UTM (feet), NAD27, Zone 12N Site: UINTAH_NBU 1022-12F PAD Well: NBU 1022-12F1CS Wellbore: NBU 1022-12F1CS Section:

SHL:

Design: NBU 1022-12F1CS (wp01) Latitude: 39.965709

Longitude: -109.389336

+N/-S 0.00

GL: 6184.00 KB: 6164' GL + 26' rkb @ 6190.00ft (H&P 298) FORMATION TOP DETAILS

TVDPath 4108.00 4708.00 6271.00 8468.00 MDPath 4113.38 4713.39 6276.41 8473.44

Formation WASATCH top of cylinder MESAVERDE SEGO

		WELL DETAILS: NE	BU 1022-12F1C	S		-
+E/-₩ 0.00	Northing 14517633.13	Ground Level: Easting 2091732.57	5164.00 Latittude 39.965709	Longitude -109.389336	Slot	

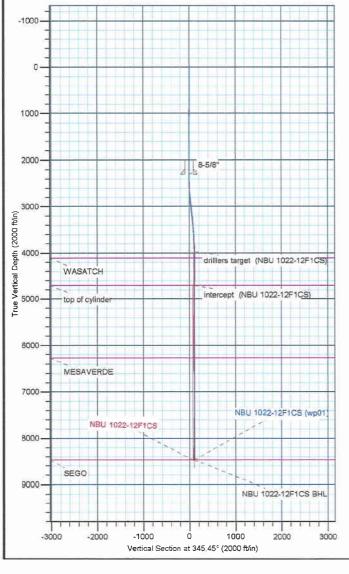
CASING DETAILS							
TVD	MD	Name					
2303.94	2304.00	8- 5 /8"					

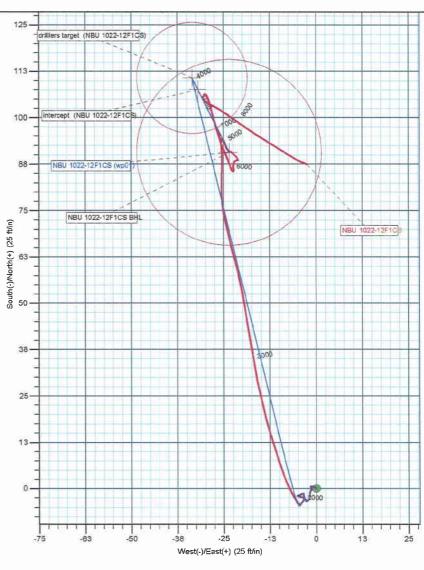


Azimuths to True North Magnetic North: 10.91 Magnetic Field Strength: 52235.0snT Dip Angle: 65.84° Date: 5/7/2012 Model: IGRF2010

DESIGN TARGET DETAILS								
Name	TVD	+N/-S	+E/-W	Northing	Easting	Latitude	Longitude	Shape
drilllers target (NBU 1022-12F1CS)	3968.00	110.69	-33.54	14517743.20	2091697.03	39.966013	-109.389456	Circle (Radius: 15.00)
intercept (NBU 1022-12F1CS)	4708.00	107.58	-31.99	14517740.12	2091698.64	39.966004	-109.389450	Point
NBU 1022-12F1CS BHL	8468.00	90.69	-23.54	14517723.38	2091707.39	39.965958	-109.389420	Circle (Radius: 25.00)

SECTION DETAILS									
MD	Inc	Azi	TVD	+N/-S	+E/-W	Dleg	TFace	VSect	
2304.00	0.35	219.48	2303.94	-3.93	-4.13	0.00	0.00	-2.77	
2454.00	0.35	219.48	2453.94	-4.64	-4.72	0.00	0.00	-3.30	
2741.71	5.54	346.31	2741.22	8.18	-8.56	2.00	129.61	10.07	
3696.50	5.54	346.31	3691.55	97.70	-30.37	0.00	0.00	102.20	
3973.38	0.00	0.00	3968.00	110.69	-33.54	2.00	180.00	115.57	
4069.30	0.29	153.44	4063.92	110.47	-33.43	0.30	153.44	115.33	
8473.44	0.29	153.44	8468.00	90.69	-23.54	0.00	0.00	93.70	





Survey Report

TVD Reference:

MD Reference:

North Reference:

System Datum:

Local Co-ordinate Reference:

US ROCKIES REGION PLANNING Company: Project: UTAH - UTM (feet), NAD27, Zone 12N

Site: NBU 1022-12F1CS Well: Wellbore: NBU 1022-12F1CS

UINTAH_NBU 1022-12F PAD

Survey Calculation Method:

NBU 1022-12F1CS Design: Database:

Project UTAH - UTM (feet), NAD27, Zone 12N

Universal Transverse Mercator (US Survey Feet) Map System: NAD 1927 (NADCON CONUS) Geo Datum:

Zone 12N (114 W to 108 W) Map Zone:

Site UINTAH NBU 1022-12F PAD

Northing: Site Position: Lat/Long Easting: From:

Position Uncertainty: 0.00 ft Slot Radius: 14,517,616.83 usft 2.091.757.52 usft

Longitude: 13-3/16 "

Latitude:

Grid Convergence:

Well NBU 1022-12F1CS

Minimum Curvature

Mean Sea Level

edmn

5164' GL + 26' rkb @ 5190,00ft (H&P 298)

5164' GL + 26' rkb @ 5190,00ft (H&P 298)

1.03 °

39 965663

-109.389248

Well NBU 1022-12F1CS 39.965709 Well Position +N/-S 0.00 ft Northing: 14,517,633.14 usft Latitude: +E/-W 0.00 ft Easting: 2,091,732.56 usft Longitude: -109.389336 0.00 ft 5,164.00 ft **Position Uncertainty** Wellhead Elevation: ft Ground Level:

Wellbore NBU 1022-12F1CS Magnetics Model Name			80.90 - 50.60 (5.80.059), 16.55 (70.614), 4.74.	leld Strength
IGRF2010	5/7/2012	(°) 10.91	(°) 65.84	(nT) 52,235

NBU 1022-12F1CS Design **Audit Notes:** 1.0 Phase: ACTUAL 22.00 Version: Tie On Depth: Depth From (TVD) +N/-S +E/-W Vertical Section: Direction (°) 22,00 0,00 0.00 358.41

Survey Program From (ft)	Date 7/20/2012 To (ft) Survey (Wellbore)	Tool Name	Description	
167.00	2,304.00 Survey #1 (NBU 1022-12F1CS)	MWD	MWD - STANDARD	İ
2,371.00	8,485.00 Survey #2 (NBU 1022-12F1CS)	MWD	MWD - STANDARD	

Measured			Vertical			Vertical	Dogleg	Build	Turn
Depth (ft)	Inclination (°)	Azimuth (°)	Depth (ft)	+N/-S (ft)	+E/-W (ft)	Section (ft)	Rate (°/100usft)	Rate (°/100usft)	Rate (°/100usft)
22.00	0.00	0.00	22.00	0.00	0.00	0.00	0.00	0.00	0.00
167.00	0.53	302.36	167.00	0.36	-0.57	0.37	0.37	0.37	0.00
195.00	0.44	267.39	195.00	0.42	-0.78	0.44	1.09	-0.32	-124.89
224.00	0.26	270.46	224.00	0.42	-0.96	0.45	0.62	-0.62	10.59
250.00	0.46	292.65	250.00	0.46	-1.12	0.49	0.92	0.77	85.35
279.00	0.44	258.94	279.00	0.48	-1.33	0.52	0.90	-0.07	-116.24
336.00	0.05	275.46	335.99	0.44	-1.57	0.49	0.69	-0.68	28.98
364.00	0.09	114.43	363.99	0.44	-1.56	0.48	0.49	0.14	-575.11
455.00	0.24	165,59	454.99	0.22	-1.45	0.26	0.22	0.16	56.22
545.00	0.20	184,06	544.99	-0.12	-1.42	-0,08	0.09	-0.04	20,52

Survey Report

Company:

US ROCKIES REGION PLANNING

Project

UTAH - UTM (feet), NAD27, Zone 12N

Site: Well: UINTAH_NBU 1022-12F PAD NBU 1022-12F1CS

Wellbore:

NBU 1022-12F1CS

Local Co-ordinate Reference:

TVD Reference:

MD Reference: North Reference:

Survey Calculation Method:

Database:

Well NBU 1022-12F1CS

5164' GL + 26' rkb @ 5190.00ft (H&P 298) 5164' GL + 26' rkb @ 5190.00ft (H&P 298)

True

Minimum Curvature

edmp

	Design:	NBU 1022-12F1CS	
1			

Measured			Vertical			Vertical	Dogleg	Bulld	Turn
Depth	inclination	Azlmuth	Depth	+N/-S	+E/-W	Section	Rate	Rate	Rate
(ft)	(°)	(9)	(ft)	(ft)	(ft)	(ft)	(°/100usft)	(°/100usft)	(°/100usft)
635.00	0.44	201.90	634,99	-0.60	-1.56	-0.55	0.29	0.27	19.82
725,00	0.12	232,77	724.99	-0.97	-1.76	-0.92	0.38	-0.36	34.30
815.00	0.39	168.42	814.99	-1.33	-1.77	-1.28	0.39	0.30	-71.50
905.00	0.18	229.15	904.99	-1.72	-1.82	-1.20	0.38	-0.23	67.48
995.00	0.46	179.24	994.99	-2.18	-1.92	-2.12	0.33	0.31	-55.46
1,085.00	0.18	180.81	1,084.99	-2.68	-1.92	-2.62	0.31	-0.31	1.74
1,175.00	0.68	224.49	1,174.98	-3,20	-2.29	-3,14	0.63	0.56	48.53
1,265.00	0.28	303.20	1,264.98	-3.46	-2.85	-3.38	0.76	-0.44	87.46
1,355.00	1.13	339.15	1,354.97	-2.51	-3.35	-2.42	1.02	0.94	39.94
1,445.00	0.26	25,86	1,444.97	-1.50	-3.58	-1.40	1.08	-0.97	51.90
1,535.00	0.00	240.13	1,534,97	-1,32	-3.49	-1.22	0.29	-0.29	0.00
1,625.00	0.79	249.27	1,624,96	-1.53	-4.07	-1.42	0.88	0.88	0.00
1,715.00	0.62	249.10	1,714.96	-1.93	-5.11	-1.79	0.19	-0.19	-0.19
1,805.00	0.70	92,30	1,804.95	-2.12	-5.01	-1.98	1.44	0.09	-174.22
1,895.00	0.70	109.00	1,894.95	-2.32	-3.94	-2.21	0.23	0.00	18.56
1,985.00	0.26	180.10	1,984.94	-2.71	-3.42	-2.61	0.74	-0.49	79.00
2,075,00	0.09	183.09	2,074.94	-2.98	-3.43	-2,89	0.19	-0.19	3.32
2,165.00	0.35	218.16	2,164.94	-3.27	-3.60	-3.17	0.31	0.29	38.97
2,304.00	0.35	219.48	2,303,94	-3.93	-4.13	-3,81	0.01	0.00	0.95
TIE ON			,						
2,371.00	0.43	211.78	2,370.94	-4.30	-4.40	-4.18	0.14	0.12	-11.49
FIRST MWD	SURVEY								
2,465.00	1.16	319.09	2,464.93	-3,88	-5.20	-3.74	1.44	0.78	114.16
2,560.00	2.50	334.55	2,559.88	-1.29	-6.72	-1.10	1.49	1.41	16.27
2,654.00	3.75	339.07	2,653.74	3.44	-8.70	3.68	1.35	1.33	4.81
2,748.00	5.00	342.82	2,747.47	10.22	-11.01	10.52	1.36	1.33	3.99
2,843.00	6,19	344.07	2,842.01	19.10	-13.64	19.47	1.26	1.25	1.32
2,937.00	6.06	349.69	2,935.48	28.86	-15,92	29.29	0.65	-0.14	5.98
3,031.00	6.31	350.57	3,028.93	38.83	-17.65	39.31	0.28	0.27	0.94
3,126.00	6.44	350,69	3,123.34	49.24	-19.37	49.76	0.14	0.14	0.13
3,220.00	4.81	346.07	3,216.89	58.27	-21.17	58.84	1.80	-1.73	-4 .91
3,315.00	4.88	345.57	3,311.55	66.05	-23.14	66.67	0.09	0.07	-0.53
3,409.00	4.25	348.69	3,405.25	73.34	-24.82	74.00	0.72	-0.67	3,32
3,504.00	3.38	358.57	3,500.04	79.59	-25.58	80.27	1.14	-0.92	10.40
3,599.00	3,31	3.44	3,594.88	85.13	-25.48	85.80	0.31	-0.07	5.13
3,693.00	2.31	358.32	3,688.76	89.73	-25.38	90.40	1.10	-1.06	-5.45
3,788.00	1,38	346.94	3,783.71	92.76	-25.69	93.43	1.05	-0.98	-11.98
3,883.00	0.94	350.44	3,878.69	94.64	-26.08	95.33	0.47	-0.46	3.68
3,977.00	0.38	350,32	3,972.69	95.71	-26.26	96.40	0.60	-0.60	-0.13
4,072.00	0.19	229.19	4,067.68	95.91	-26.43	96.61	0.53	-0.20	-127.51
4,167.00	0.50	159.69	4,162.68	95.42	-26.41	96.12	0.49	0.33	-73.16
4,261.00	0.56	161.07	4,256.68	94.60	-26.12	95.29	0.07	0.06	1.47
4,355.00	0.69	160.44	4,350.67	93.64	-25.78	94.32	0.14	0.14	-0.67

Survey Report

Company:

US ROCKIES REGION PLANNING

Project:

UTAH - UTM (feet), NAD27, Zone 12N

Site:

UINTAH_NBU 1022-12F PAD NBU 1022-12F1CS

Well: Wellbore:

NBU 1022-12F1CS

Design:

NDU 1022-121 100

Local Co-ordinate Reference:

TVD Reference:

MD Reference:

North Reference:

Survey Calculation Method: Database:

Well NBU 1022-12F1CS

5164' GL + 26' rkb @ 5190.00ft (H&P 298) 5164' GL + 26' rkb @ 5190.00ft (H&P 298)

True

Minimum Curvature

edmp

sign:	NBU 1022-12F1CS	Databas
	with the action of the control of th	

Measured			Vertical			Vertical	Dogleg	Build	Turn
Depth	Inclination	Azimuth	Depth	+N/-S	+E/-W	Section	Rate	Rate	Rate
(ft)	(°)	(°)	(ft)	(ft)	(ft)	(化)	(°/100usft)	(°/100usft)	(°/100usft)
4,449.00	0.38	359.82	4,444.67	93.41	-25.59	94.09	1.12	-0.33	-170.87
4,543.00	0.31	14.82	4,538.67	93.97	-25.52	94.64	0.12	-0.07	15,96
4,638.00	0.06	39.82	4,633.67	94.26	-25.43	94.93	0.27	-0.26	26.32
4,732.00	0.06	106.94	4,727.67	94.28	-25.35	94.95	0.07	0.00	71.40
4,827.00	0.13	139.57	4,822.67	94.19	-25.23	94.85	0.09	0.07	34.35
4,921.00	0.06	179.69	4,916.67	94.05	-25.16	94.72	0.10	-0.07	42.68
5,016.00	0.38	149.19	5,011.67	93.73	-25.00	94.39	0.35	0.34	-32.11
5,110.00	0.56	160.32	5,105.67	93.03	-24.69	93.68	0.21	0.19	11.84
5,204.00	1.06	160.32	5,199.66	91.78	-24.24	92.42	0.53	0.53	0.00
5,299.00	0.44	96.82	5,294.65	90.91	-23.58	91.53	1.00	-0.65	-66.84
5,393.00	0.38	113.07	5,388.65	90.75	-22.93	91.35	0.14	-0.06	17.29
5,477.00	0.69	130,57	5,472.64	90.31	-22.29	90.89	0.41	0.37	20.83
5,582.00	1.00	144.69	5,577.63	89.15	-21.28	89.71	0.35	0.30	13.45
5,676.00	0.25	281.32	5,671.63	88.52	-21.01	89.07	1.27	-0.80	145.35
5,771.00	0.38	256.44	5,766.63	88.49	-21.52	89.05	0.20	0.14	-26.19
5,865.00	0.38	223.57	5,860.62	88,19	-22.04	88.77	0.23	0.00	-34.97
5,960.00	0.44	196.82	5,955.62	87.61	-22.36	88.20	0.21	0.06	-28.16
6,054.00	0.50	169.82	6,049.62	86.86	-22.39	87,45	0.24	0.06	-28.72
6,148.00	0.69	168.82	6,143.61	85,90	-22.21	86.49	0.20	0.20	-1.06
6,243.00	0.44	296.57	6,238.61	85.51	-22.43	86.10	1.07	-0.26	134.47
6,337.00	1.25	343.94	6,332.60	86.65	-23.03	87,26	1.07	0.86	50.39
6,431.00	2.13	333.57	6,426.56	89.20	-24.09	89.84	0.99	0.94	-11.03
6,525.00	2.50	339.07	6,520.48	92.68	-25.60	93.36	0.46	0.39	5.85
6,620.00	3.06	344.94	6,615.37	97.06	-27.00	97.78	0.66	0.59	6.18
6,714.00	2.31	344.94	6,709.27	101.32	-28.15	102.06	0.80	-0.80	0.00
6,809.00	1.50	346.94	6,804.21	104.38	-28.93	105.14	0.86	-0.85	2.11
6,903.00	0.75	325.19	6,898.19	106.08	-29.55	106.86	0.90	-0.80	-23.14
6,998.00	0.38	239,94	6,993.19	106,43	-30.18	107.23	0.85	-0.39	-89.74
7,281.00	0.25	150.82	7,276.19	105.42	-30.69	106.24	0.16	-0.05	-31.49
7,565.00	0.25	146.32	7,560.18	104.37	-30.05	105.16	0.01	0.00	-1.58
7,848.00	1.69	115.44	7,843.14	102.06	-25.94	102.74	0.52	0.51	-10.91
8,132.00	2.81	130.19	8,126.92	95.77	-16.84	96.20	0.44	0.39	5.19
8,435.00	2.68	112.03	8,429.57	88.32	-4.60	88.41	0.29	-0.04	-5.99
LAST MWD	SURVEY								,
8,485.00	2.68	112.03	8,479.52	87.44	-2.43	· 87.48	0.00	0.00	0.00

Survey Report

Company: US ROCKIES REGION PLANNING
Project: UTAH - UTM (feet), NAD27, Zone 12N

UINTAH_NBU 1022-12F PAD

 Well:
 NBU 1022-12F1CS

 Wellbore:
 NBU 1022-12F1CS

 Design:
 NBU 1022-12F1CS

Site:

Local Co-ordinate Reference:

Well NBU 1022-12F1CS

TVD Reference: 5164' GL + 26' rkb @ 5190.00ft (H&P 298)
MD Reference: 5164' GL + 26' rkb @ 5190.00ft (H&P 298)

North Reference: T

Survey Calculation Method: Minimum Curvature

Database: edmp

Design Annotations		Constitution of the second decrease of the second second decrease of the second	Committee (Committee)	
Measured Depth	Vertical Depth	Local Coord	inates +E/-W	
(ft)	(ft)	(8)	(ft)	Comment
2,304.00	2,303.94	-3.93	-4.13	TIE ON
2,371.00	2,370.94	-4.30	-4.40	FIRST MWD SURVEY
8,435.00	8,429.57	88.32	-4.60	LAST MWD SURVEY
8,485.00	8,479.52	87.44	-2.43	PROJECTION TO TD

Checked By:	Approved By:	Date: